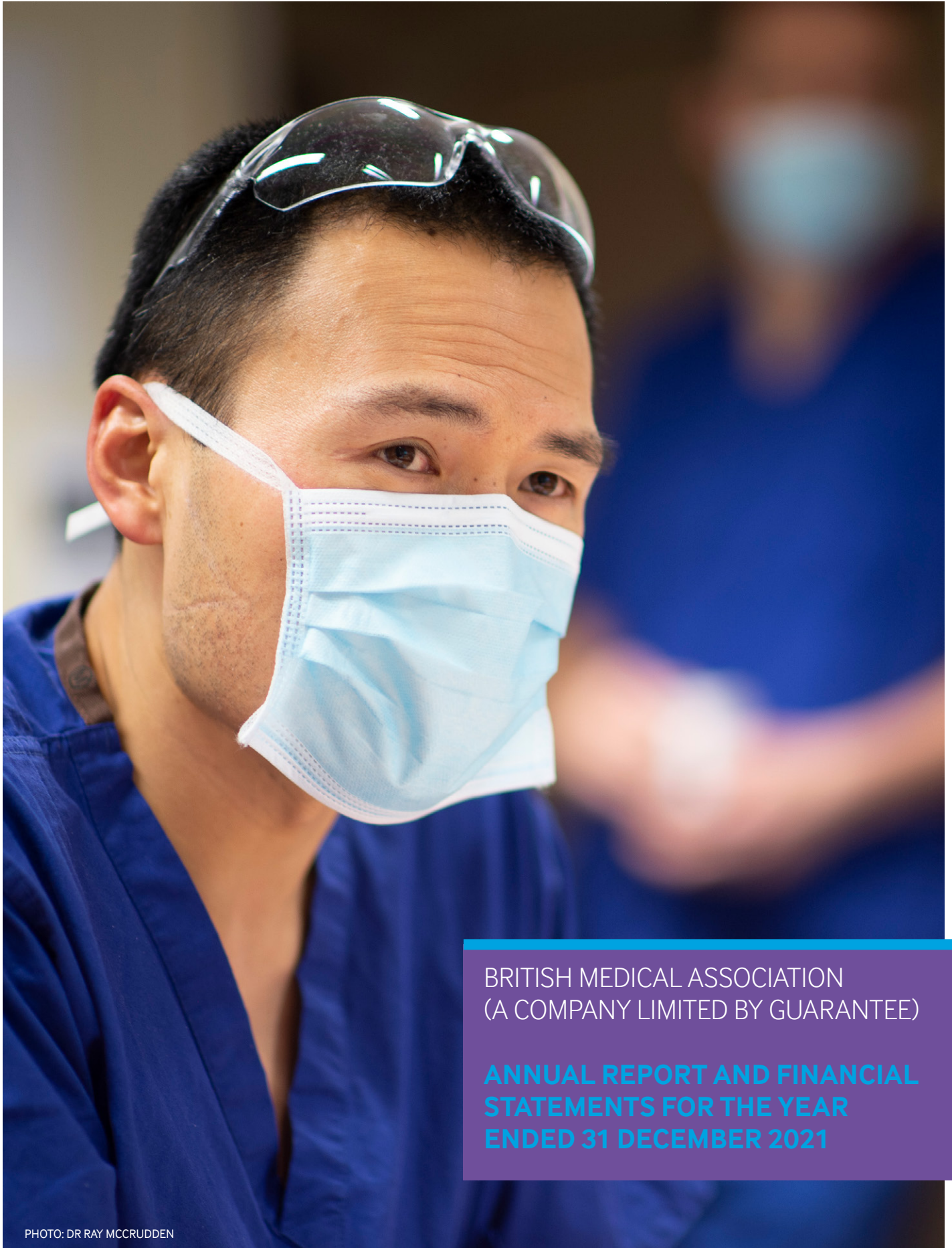


Registered number: 00008848



BRITISH MEDICAL ASSOCIATION  
(A COMPANY LIMITED BY GUARANTEE)

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS FOR THE YEAR  
ENDED 31 DECEMBER 2021**

PHOTO: DR RAY MCCRUDDEN

## COMPANY INFORMATION

### DIRECTORS

**Dr Krishan Aggarwal** (Council Member)  
**Dr Kailash Chand** (Council Member) (deceased 26 July 2021)  
**Mr Tom Grinyer** (Chief Executive Officer)  
**Mr Roger Horton** (Chair of BMJ Publishing)  
**Mrs Neeta Major** (Group Chief Financial Officer) (appointed 22 February 2021)  
**Mrs Catherine Mayor** (Non-Executive Director)  
**Dr Helena McKeown** (Chair of Representative Body) (resigned 15 June 2021)  
**Dr Chaand Nagpaul** (Chair of Council and BMA Board)  
**Ms Elisa Nardi** (Non-Executive Director)  
**Dr Kevin O’Kane** (Council Member)  
**Dr Latifa Patel** (Chair of Representative Body) (appointed 16 June 2021)  
**Dr Trevor Pickersgill** (Treasurer)  
**Dr Vishal Sharma** (Council Member) (appointed 10 September 2021)  
**Dr David Wrigley** (Deputy Chair of Council)

### REGISTERED NUMBER

00008848

### REGISTERED OFFICE

BMA House  
British Medical Association  
Tavistock Square  
London  
WC1H 9JP

### INDEPENDENT AUDITORS

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG

### LAWYERS

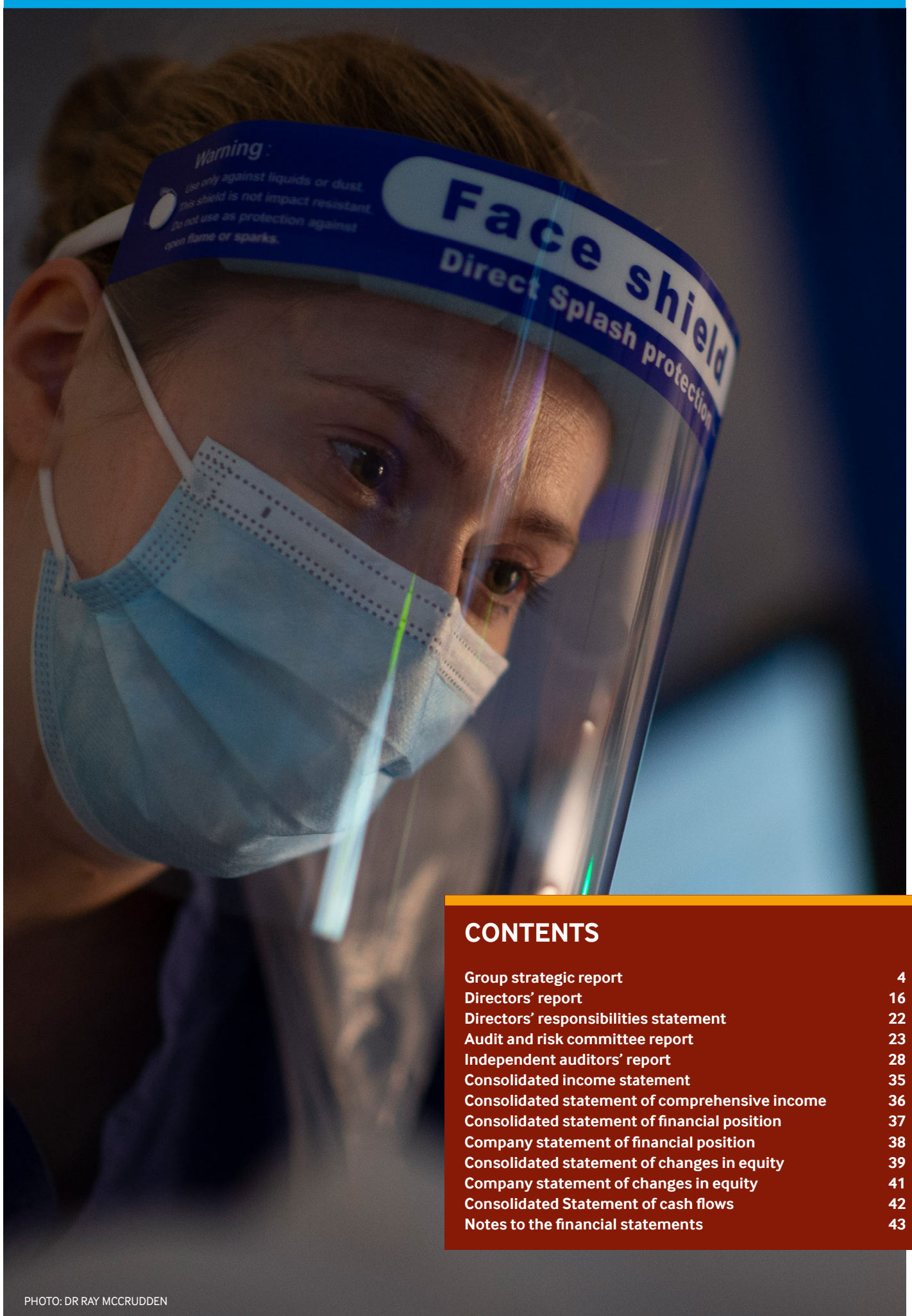
Gateley PLC  
Ship Canal House  
98 King Street  
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Capital Law  
Capital Building  
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Cardiff  
CF10 4AZ

### BANKERS

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PO Box 83  
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**GROUP STRATEGIC REPORT FOR  
YEAR ENDED 31 DECEMBER 2021**

PHOTO: DR RAY MCCRUDDEN





PHOTO: DR RAY MCCRUDDEN

## GROUP STRATEGIC REPORT FOR YEAR ENDED 31 DECEMBER 2021

In the UK, we represent doctors both individually and collectively on a wide variety of employment issues and, since the inception of the NHS, we have been formally recognised for collective bargaining purposes within national negotiating machinery and by individual employers at a local level.

As a professional body, through research and publishing we lead debate on key ethical, scientific and public health matters and award grants to encourage individual research in medicine.

Our strategic mission remains to “look after doctors so they can look after you” as this is designed to ensure we place our members and all doctors at the heart of what we do, so that they can concentrate on ensuring patients receive the best possible care, as we stand as one profession of doctors.

### Beginning to deliver on our new strategy

2021 was the first complete year of our new strategy launched in 2020, endorsed by BMA Council and Board, emphasising our role as a strong trade union and leading professional body. It was built on the back of meticulous research conducted through reviews of policy, communications, member support services, our culture, staff surveys and a detailed survey of our members. It was co-created in response to the challenges and opportunities we have seen in our external environment and the impact these have had on the profession.

The strategy sets out our ambitions for the years ahead and has been designed to be a living document as we recognised the importance of being able to respond to unforeseen external events like COVID-19 with speed and agility.

Key 2021 developments against our strategic priorities are described below:

#### Member centred

#### Actively engage our profession to fully understand and respond to needs and expectations

Priorities include the following activities:

- Continually capture what is most important to doctors
- Personalise products and services to meet member needs
- Engage members in ways that work for them
- Focus on what members value most
- Enable our activists to engage effectively with doctors and medical students



PHOTO: SARAH TURTON – LMC CONFERENCE 2022

Two new surveys have been introduced, targeting different membership segments each time:

- Products and services survey (4 x yearly) to find out what products and services members have used and to rate them.
- Viewpoint survey (6 x yearly) asks participants how 'well' they think the BMA is representing doctors

Organisation design work started on a new marketing function and a temporary marketing 'hub' was created to bring together marketing expertise from across the association, with a focus on acquisition and retention activity. A new media map and outreach plan to reach new audiences, and a prospecting campaign was launched.

A new product scrutiny panel and product pipeline has been established. This brings together research into member need with a systematic appraisal process so new products or product improvements can be prioritised.

### **Resenting the profession**

**Act upon the concerns of our profession to achieve the best possible outcomes, both individually and collectively, as a strong trade union and professional association**

Priorities include the following activities:

- Use our strength as a trade union to support and protect our members
- Invest in our negotiations to achieve the best results
- Represent on professional issues to improve the daily working lives of our members

A new approach on how negotiations are run across four nations was developed. Focus included articles bylaws and delegated authorities, regional teams and committees, and overall resource allocation regarding national bargaining.

A new interim director of member relations was appointed and a new approach to local bargaining and member engagement was implemented.

### **Influencing outside of the BMA**

**Lead on behalf of our profession on the issues that matter most**

Priorities include the following activities:

- Prioritise the campaigns that will have the biggest impact on members
  - Assert our leadership as an authoritative voice
  - Provide our activists with the tools to leverage our influencing
- Three campaigns for 2021 were developed and launched:
- Getting the profession through the pandemic
  - Valuing doctors
  - Rebuilding the NHS after the pandemic

An activism manager was recruited to manage messaging and support for grassroots members. Also in 2021, a customer relationship marketing (CRM) data expert was recruited to improve segmentation and targeted communications, using the existing BMA CRM system, which is being replaced.





## Running the BMA

### Build a sustainable, carbon neutral organisation for a changing world

Priorities include the following activities:

- Increase our capabilities to deliver what our members need
- Leverage the strengths of the BMJ to provide group synergies across our activities
- Give members the best value for their membership in a financially stable association
- Promote equal rights and opportunities, tackle discrimination or disadvantage and create an open and inclusive culture for our members, employees and stakeholders
- Ensure our committees are effective, efficient and represent the diversity of our membership
- Ensure that our democratic structures reflect the voice and demands of our members at a local, intermediate, national and UK level

A new CRM system implementation started in 2020 and continued to meet delivery milestones throughout 2021. This system is crucial for core operations in terms of capturing member data and using that data for better outbound communications. The new CRM is due to go live in summer 2022 a couple of months later than planned, due to staff illness (COVID-19). MS Teams was launched for staff and piloted with some committees and members.

At the 2021 December board a financial recovery programme was approved. The programme comprises cost reduction and income generation workstreams with a target that the BMA day to day membership activity breaks even in five years thereby reducing its dependency on group dividends. The recovery programme is comprehensive in its approach and will explore areas including subscription rates, member growth areas, democratic structures and member involvement in committees, committee output and contribution to the profession. Additionally, the programme will recommend strategic investment and redevelopment of our properties to make our estate fit for future use against new, hybrid working patterns, competing tenant demands, and carbon reduction targets.

A new equality, diversity and inclusion strategy was developed during 2021 to be implemented in 2022. The strategy outlines the BMA's approach to fostering a culture in which individual differences and diversity are welcomed, discrimination or disadvantage in all forms is tackled, for our members, staff and stakeholders.



## BMJ – Progress against the strategic priorities

The focus and direction of our editorially independent publishing company, the BMJ Publishing Group Limited (BMJ), is to advance healthcare by sharing knowledge and expertise to improve experiences, outcomes and value worldwide. BMJ aims to do this by stimulating and informing debate on health and healthcare as well as by creating the best evidence-based services and tools.

Over the course of 2020, a strategic framework was outlined to further the Group's pursuit of a healthier world. The BMJ Board approved each theme outlined below and has ensured throughout 2021 and across the planning cycle that these aims remain fundamental to the BMJ's culture, initiatives, budgets and key business decisions.

***Delivering superior digital solutions*** – by accelerating BMJ's digital transformation, the Group seeks to increase the value, volume, discoverability and usage of created content. In turn, this will deliver efficiencies, targeted cost savings, improved user experience and, ultimately, enhanced revenues;

In 2021, digital traffic grew, underpinning an increase in online advertising revenues and demonstrating the efficacy of revisions to BMJ's search optimisation approach. In 2022, additional investment is earmarked to upskill internal technology resourcing and build towards advancements in the digital journey of both customers and contributors.

***Increasing operational efficiency*** – by delivering efficiencies, BMJ seeks to either crystallise cost savings or free up funds to reinvest in areas likely to deliver improving returns;

In 2021, significant focus was applied to the implementation of smart, flexible new ways of working, with investment in skills, tools and office design. This thinking should drive further benefits in 2022, with a truly hybrid, supported, motivated workforce equipped to deliver on a whole host of strategic initiatives and budgeted targets.

***Optimising the product portfolio*** – by emphasising common themes across the Group's complex and varied portfolio, BMJ seeks to drive synergies and improve overall returns;

In 2021, BMJ continued to explore tangential markets and products that would benefit from access to high quality content. Exploratory partnerships with cutting edge medical technology firms delivered promising initial results and will expand into 2022 and beyond.

***Strengthening organisational effectiveness*** – by reinforcing a commonality of approach across the Group, teams should be better able to share customer insight and best practice across accounts and products, enabling the delivery of a consistent user experience which should, over time, generate improved customer satisfaction and retention.

In 2021, the sales team was reorganised into sector-focused pillars with the express intent of further improving the depth and breadth of market and customer knowledge and support.



## STRUCTURE, GOVERNANCE AND MANAGEMENT CONSTITUTION

### Representative body

The BMA policies are determined by doctors in local, regional and national forums. They send motions to the Representative Body (RB), which is the main policy-making body. The RB is made up of 560 voting member doctors from all parts of the profession. They come together at the annual representative meeting (ARM) to debate the motions and vote on them to formulate policy of the BMA.

### Council

Council is the principal executive committee (PEC) of the trade union as set out by trade union legislation (TULRCA 1992) It sets the strategic direction of the Association in line with policy decided by the representative body at the Annual Representative Meeting (ARM), and is responsible for the formulation of policy throughout the year between ARMs, and for delegating the implementation of policy to the company by way of aims and desired outcomes. Council has responsibility for overseeing the co-ordination and timing of policy implementation of the Association, and the authority to resolve disputes between other BMA bodies and to authorise industrial action.

Since 2018, the BMA Council has had between 57 and 74 voting members.

Each is directly elected by the membership to give a UK wide, geographical and cross-branch of practice mix. There are also 22 ex-officio non-voting seats, including those who chair/co-chair some of the many committees reporting to council so there are currently 24 members in those seats.

Council also appoints members to central boards and committees, and can establish additional committees and working groups.

Dr Krishan Aggarwal	Dr Andrew Green*	Dr Lewis Morrison
Dr Jahangir Alom*	Dr Gaurav Gupta*	Dr Chaand Nagpaul (Chair of Council)
Dr Jackie Applebee*	Dr Brian Guttridge	Dr Kevin O’Kane*
Dr David Bailey	Dr James Haddock*	Dr Simon Parkinson (from August 2021)
Prof Philip Banfield*	Dr Sarah Hallett	Dr Rinesh Parmar (until July 2021)
Dr Jennifer Barclay*	Dr Robert Harwood (until June 2021)	Dr Latifa Patel (Deputy Chair of Representative Body)
Dr Hannah Barham-Brown*	Dr Sara Hedderwick*	Dr Philip De Warren-Penny (from July 2021)
Dr Rob Barnett*	Mr Michael Henley*	Dr Philip Pearson*
Dr Rajesh Kumar	Dr Sebastian Hormaeche*	Dr Trevor Pickersgill* (Treasurer)
Dr Peter Bennie*	Prof Raymond Agius* (from June 2021)	Dr George Rae*
Dr Tom Black	Mr Roger Horton (BMJ Chair)	Mr Richard Rawlins*
Dr Katie Bramall-Stainer*	Miss Lara Akinnawonu (from September 2021)	Prof Michael Rees*
Prof Sir Harry Burns (President until September 2021)	Dr Philip Howard*	Sir Sam Everington*
Dr Mary Anne Burrow (until September 2021)	Dr Louise Irvine*	Dr Emma Runswick*
Dr Kailash Chand* Deceased (until July 2021)	Prof Anil Jain**	Prof Wendy Savage*
Dr John Chisholm*	Dr Richard Jarvis (until November 2021)	Dr Radhakrishna Shanbhag*
Dr Christine Clayton*	Dr Krishna Kasaraneni*	Dr Vishal Sharma (from June 2021)
Dr Cristina Costache*	Dr Iain Kennedy*	Mr Nitin Shrotri
Dr David Craigmyle*	Dr Lucie Kennedy-Cocker*	Mr Christopher Smith*
Dr Peter Curry*	Prof Dame Parveen J Kumar	Dr David Strain (from September 2021) Dr Rajat Gupta (until September 2021)
Dr Paul Darragh*	Miss Rebecca Bates (until September June 2021)	Dr Vicky Theakston*
Dr Jacqueline Davis*	Dr Jeremy Lawrance	Dr Penelope Toff*
Dr Thomas Dolphin*	Mr Tainyane Mapako (until September 2021)	Dr Richard Vautrey*
Mrs Chrissie Douglass	Dr Mary McCarthy*	Dr Philip White (from December 2021)
Dr Peter English*	Dr Helena McKeown* (Chair of Representative Body until 2021)	Dr Rajiv Wijesuriya*
Dr Glynn Evans* (until July 2021)	Mr Ian McNab*	Dr David Wrigley* (Deputy Chair of Council)
Dr Helen Fidler*	Miss Khadija Meghrawi (from September 2021)	Dr Jennifer Yell*
Dr Alex Freeman*	Prof Neena Modi (President from September 2021)	Dr Peter Holden*
Dame Clare Gerada* (until September 2021)		
Dr Zoe Greaves*		

\* Indicates voting members

## Board

The BMA board is tasked with directing the activities of the company in accordance with the Companies Act. The relationship with Council is via two routes:

- The articles of association of the company, which require the Board to ensure the implementation of strategic and operational objectives. Provided they are legal and do not constitute a breach of fiduciary duty to the company, all resolutions made by the BMA Council (who in turn maintain the existing relationship with the Representative Body), must be translated into the policy and activity of the company.
- The Audit and Risk Committee, which is the primary source of oversight accountable to Council, tasked with risk management, the monitoring of effective controls and ongoing operational effectiveness.

The BMA board has group oversight of the BMJ Publishing Group Limited and BMA Investments Limited.

## BUSINESS REVIEW

### Financial review

BMA Group ended the year with income at £134.6m, £1.6m higher than 2020 (2020: £133.0m). Profits for the financial year have improved to £10.9m (2020: £1.6m) largely due to unrealised gains on the investment portfolio, which can fluctuate significantly due to market conditions at any point in time. Within the group consolidation, the BMA itself incurred a deficit after tax (pre dividend and defined benefit pension administration costs) of £5.8m (2020: deficit £8.1m), with the BMJ delivering a surplus after tax but before dividend of £6.0m (2020: £5.6m). Profits after tax from BMA Investments Limited including unrealised gains from the investment portfolio is £10.6m (2020: £4.1m). The BMA is reliant on the BMJ to fund its deficit and BMA Investments to provide working capital support, with the longer-term financial strategy to significantly reduce this dependency. BMA Investments is primarily used to underpin the defined benefit pension fund liability and provide investment / emergency funds as required. The unrealised gains from BMA Investments are due to the increases in the global financial markets and would only be realised if part of the portfolio was to be sold. Note 15 details how the profit/loss for the financial year has been generated by the individual group entities.

The group net worth of the Association remains strong at £153.9m (2020: £129.7m). The increase in net assets is due to the gains in the investment portfolio and the positive movement in the defined benefit pension scheme. Owned property (BMA House and the Queen Street Edinburgh offices) remains on the balance sheet at nominal value. The defined benefit pension scheme, under FRS102, as at 31 December 2021 indicated a surplus of £43.5m, which has not been recognised in the financial statements (2020: deficit £13.3m), see Notes 3 and 26. This change is largely attributable to the change in the discount rate assumption, driven by the adjustment to corporate bond yields over the past year. Group cash at bank and in hand has increased to £44.6m, up from £28.1m in 2020, mainly due BMA Investment's divestment of £9.2m of funds to support working capital requirements.

Membership numbers have increased over the last year and the Association had 162,346 members at 31 December 2021 compared to 158,405 at 31st December 2020. Whilst we have seen a continued increase in the number of practicing members, as the impact of COVID-19 has reminded doctors of the need for support and advice during this period, student membership in particular has increased over the year due to the return of face to face recruitment at fresher's fairs. Membership revenue grew to £50.3m (2020: £49.4m) due to recruitment of members earlier in the year than anticipated and the increased membership of practicing members.

Event income has continued to be severely impacted by the pandemic. A strong 4th quarter showed there is increasing demand, but it is expected that it will take 2 – 3 years to reach pre-COVID levels again. Property income is also lower due to a number of tenants exercising lease breaks or leaving at the end of their lease as a result of COVID-19 and ongoing reviews of ongoing space requirements. Revenue from other income sources is marginally down for 2021 at £6.5m (2020: £6.9m).

Savings resulting from lower travel costs and virtual ARM were offset by COVID related spend supporting members, increased media coverage, campaigns, legal costs and costs in relation to BMA House.

To provide additional clarity and to bring the accounts in line FRS102, the directors have restated the treatment of the unrealised investment gains and losses. Furthermore, to provide additional clarity, the directors have grouped together income to better aid the readers of these financial statements and therefore amended the comparatives, as disclosed in Note 26.



## BMJ Publishing Group Limited (BMJ)

BMJ seeks to advance healthcare by sharing knowledge and expertise to improve experiences, outcomes and value worldwide aiming to do this by stimulating and informing debate on health and healthcare as well as by creating the best evidence-based services and tools. The BMJ group continued to make good progress towards these objectives during the year, in particular growth of sponsorship, advertising and reprints revenues. BMJ group income for 2021 was £78.8m (2020: £77.8m).

## BMA Investments

Our investment portfolio held by BMA Investments Limited has despite volatility earlier in 2021, closed the year at £145.1m in 2021 (2020: £138.6m), reflecting the stabilisation of global financial markets in recent months, which is in line with the various benchmarks within the investment portfolio for 2021. In order to rebalance the portfolio £9.2m was divested during 2021 (2020: £5m) and the funds are currently held as cash.

## BMA Law

After a number of difficult years trading, BMA Law has made a small pre-tax profit. Future trading conditions remain difficult and there is an ongoing strategic review to deliver sustainable growth.

## BMA 2002

BMA 2002 is a dormant company which we have applied to have struck off the register of companies. The application was made in January 2022.

In conclusion, the BMA Group remains strong financially, despite difficult political and economic factors in the UK and globally. Our financial stability and strength enables us to continue our core work of supporting doctors and promoting the health of the nation.

## STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S.172(1) OF THE COMPANIES ACT 2006

The Directors are well aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Association for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

The impact of long-term decisions is assessed as a matter of course when reviewing proposed projects and during the annual budget and strategic review process, where future plans for the BMA are reviewed and refreshed.

Induction materials provided on appointment include an explanation of Directors' duties, and the Board is regularly reminded of the s.172 (1) Matters through regular training sessions.

Corporate, social, environmental, responsibility is key when developing new and existing relationships. The BMA has long acted as a responsible organisation; we are the oldest medical association in the world to award grants to encourage and further medical research and have always advocated the highest standards of human rights in healthcare.

## ENGAGEMENT WITH MEMBERS, SUPPLIERS, STAFF AND OTHERS

### Working with our Members

As a professional association and trade union, working with and for our members is key to the future success of the organisation. 2021 has been another extraordinary year for the profession and the BMA has worked non-stop to protect and support our members through a year in which they have continued to be critical to the functioning of the NHS and the health of the nation. We have acted to ensure the effective roll-out of the COVID vaccine programme amongst the medical profession and supported the national vaccine roll-out. We have consistently highlighted the burnout facing all NHS staff and highlighted the critical need for proper rest and recuperation, allowing for a safe working environment with employers providing sufficient breaks and access to timely occupational health assessments. We secured government agreement to a public inquiry into the impact of COVID-19, which is now underway. We have continued our highly successful partnership with John Lewis delivering care packages to healthcare workers across the country and our own BMA support team have continued to provide 24/7 support to record numbers of doctors.

### Working with our Suppliers

Our suppliers and agencies are experts in their fields and help us to deliver quality services to our members and customers to meet our strategic goals. The BMA group works with key suppliers to develop strong mutually beneficial partnerships ensuring delivery of high-quality services to members and key customers globally through regular review meetings and monitoring of key performance indicators. The supply of major services is regularly tendered to ensure that members/customers continue to receive high levels of service, delivered cost effectively.

### Working with our Staff

Our staff are a key resource without whom we would not be able to deliver high quality products and services to our members and customers. The BMA recognises a number of staff unions and regularly meets to update on future developments and discuss a wide range of topics impacting staff. Throughout the pandemic we have taken 'safe staff first' approach with GMB representatives involved in key decisions as the association has adapted to working from home and social distancing. Staff have also played a key role in designing how we manage the future return to the office. Staff involvement through forums/workshops have helped shape the future strategy of the association. We also engage with staff through quarterly surveys, regular all staff virtual events, supporting staff initiated networks who share common interests or characteristics such as are forums for covering ethnicity, gender, sexual orientation or those at a similar 'life-stage', such as new parents. Our staff are concerned with opportunities for personal development, career progression, inclusion, fair pay and the ability to make a difference. We recognise that we have a responsibility to promote and adopt organisational policies that support sustainable practices and improve the health and wellbeing of our employees. We are committed to promoting equal rights and opportunities, pro-actively tackling discrimination or disadvantage in all forms and creating an open and inclusive culture for our employees.

### Working with our Communities

We recognise that we have a duty towards wider society and the communities we work with and within. The BMA seeks to give back to the community through activities such as widening participation into medicine, upholding fundamental human rights in health practice, creating key partnerships with stakeholders, supporting research careers through funding, mental wellbeing through our wellbeing support services, and doctors' financial needs through the BMA charitable network.

## SUSTAINABILITY AND HEALTH

We recognise the detrimental effects climate change has on health and aim to minimise our impact on the environment. Doctors and other health professionals have a vital role in supporting and advocating for better approaches to tackling climate change that protect and promote public health, while also reducing the burden on health services.

BMA House is an award winning venue and holds a Gold Accreditation from Green Tourism.





## PRINCIPAL RISKS AND UNCERTAINTIES

The BMA group is carefully monitoring ongoing developments as the UK emerges from the latest wave of the global COVID pandemic. Business continuity plans have continued to be activated to safeguard core activities and target minimal disruption to customers, suppliers and employees. These plans include regular reviews of the changing situation by management and the establishment of a central team to assess risk regularly and direct appropriate responses as necessary.

It is clear the health system in the UK continues to face crisis after crisis which is well documented in the media. The profession is facing unparalleled and systemic pressure from all possible sources and a growing workforce crisis as cuts to pay and punitive pension taxation push doctors into reducing their hours or early retirement. This is further complicated with the devolution of healthcare across the four UK nations and the continued uncertainty around the impact of Brexit on healthcare.

The BMA needs to ensure that it continues to influence policy and change within the UK health service. In addition, the BMA continues to increase its relevance to all doctors through all of our services to members and the profession e.g. leading negotiations for pay and benefits, providing support through employment disputes, career advice and life-long learning.

Through our service delivery mechanism, we are making significant progress in protecting our members through agreements with healthcare stakeholders. Nonetheless, we are also supporting record numbers of members individually through our member relations activities.

In terms of financial risk, the BMA group closed its defined benefit pension scheme to future accrual in July 2014. As of that time, the pension scheme was fully funded. Subsequently through abnormal external market conditions, the scheme has fluctuated between deficit and surplus and is currently in a surplus position (as at 31 March 2021, the latest triennial valuation). Pension Trustees manage the on-going financial risk. The next triennial valuation of the scheme is due on 31 March 2024.

With the management of the investment fund, an investment sub-committee is appointed via the finance committee to manage its investment portfolio. Experienced outsourced investment managers manage the funds to agreed investment benchmarks. The present benchmark used for the overall pool of investments held within BMA Investments Limited, is LIBOR + 3%.

The key business risks and uncertainties affecting the BMJ are considered to relate to global economic conditions and competition from other publishers, and the company recognises the need to invest and innovate to retain its market leading position which it will continue to do in 2022. The management of BMJ review the level of currency risk inherent within the business, as they deem this a key risk, and they hedge a level of foreign exchange risk via forward contracts.

Despite significant debtor balances being held at each balance sheet date, credit risk is considered low given the nature of trade debtors (which are primarily well funded and established medical institutions), the historically low profile of bad debt write offs and the presence of an appropriate level of bad debt provision.

Below are the key risks that have been identified for monitoring:

Risk description	Risk consequence	Controls, actions, mitigations
Reputational damage	Potential loss of members, income and influence	Strategic decisions to be shared and considered at the group level. Organisations to embed new approach and culture towards risk and consideration of impacts across group.
Potential pension scheme deficit	Additional group contributions would be required, which would impact funds available to support members	Engagement with trustees and advisors to implement proactive strategy to reduce liability over the longer term
Cybercrime resulting in data loss or other significant breach of data	Significant regulatory fine and reputational damage	Ongoing training of all staff; recruit cyber security engineer; conduct system penetration testing; implement VPN protection
GDPR non-compliance resulting in loss/corruption of member or staff data, or data breach	Significant regulatory fine, reputational damage, and compensation claims	Ongoing training of all staff; ensure security controls are in place and up to date to reduce email errors
Operational activity not driven by the strategy	This would threaten delivery of the strategy and have an adverse impact on membership numbers	Programme of works lead by directors with board members; ongoing progress reporting at board level for visibility; realignment of resources where necessary; develop and monitor KPIs

## FINANCIAL KEY PERFORMANCE INDICATORS

The BMA's most important KPI is its membership which stood at 162,346 (2020: 158,405) at the end of the financial year. By ensuring that we are representative and provide up to date, relevant, progressive and supportive services for our members, the BMA aims to retain and grow its membership. Strong membership ensures the BMA can maintain its position as a key player when negotiating and influencing health related policy. Other key performance indicators include market share, profit/loss after tax and staff engagement.

BMJ measures performance by reference to its profitability (gross profit and operating profit) and its influence in the medical community. Influence is monitored by a number of measures, including readership (both online and in print), usage and article citations.

## FUTURE DEVELOPMENTS

The BMA intends to continue its unprecedented support for the profession as the focus shifts from the pandemic pressures to the huge backlog of care which the NHS is now facing in each nation of the UK. Wellbeing and burnout will remain critical issues facing the whole workforce amidst the after effects of the pandemic. The BMA will continue to set out the key issues which government must work to address to tackle the huge backlog of care and deliver a truly sustainable NHS, including contributing to upcoming legislation in both Westminster and the devolved nations. Critical to this will be arguing for the right levels of investment in the NHS as a whole and in the profession specifically, including seeking fair deal on pay, pay restoration due to historic real-terms pay cuts and pension tax reform.



## EVENTS AFTER THE BALANCE SHEET DATE

The BMA is carefully monitoring how the impact of COVID-19 is affecting the NHS and therefore the profession from being overwhelmed. Business continuity plans continue to be active to safeguard core activities and target minimal disruption to members, customers, suppliers and employees. These plans include regular reviews of the developing situation by management and the establishment of a central team to assess risk daily and direct appropriate responses as necessary.

After the balance sheet date, the Chief Executive Officer of the Association and the Chair of BMJ publishing group announced their departure. Recruitment processes have commenced to appoint their replacements, with interim cover being arranged from existing resources in any intervening period, if required.

Reviews and reforecasts have not identified events or conditions that prevent the business from being able to meet obligations as they fall due. With strong cash reserves at Group level, possible adverse impact to working capital can be safely and effectively managed. What is important during the pandemic is that relevant content is accessible to those on the frontline treating patients and the business continues to provide and augment this support.

This report was approved by the board on 27 May 2022 and signed on its behalf.

*Trevor Pickersgill*

Dr Trevor Pickersgill (Treasurer)  
Director



## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

### PRINCIPAL ACTIVITY

The principal activity of the BMA is to provide personal professional and representation services for its members.

BMJ Publishing Group Limited (BMJ) and BMA Investments Limited are both wholly owned subsidiaries of the BMA. BMJ and its subsidiaries' principal activities are the production and distribution of medical information through various media including the flagship journal The BMJ. BMA Investments Limited is the investment holding subsidiary for the BMA.

### RESULTS

The profit for the year, after taxation, amounted to £10,879,000 (2020: £1,590,000). See additional information included in the Strategic Report.

### DIRECTORS

The directors who served during the year were:

**Dr Krishan Aggarwal** (Council Member)

**Dr Kailash Chand** (Council Member) (deceased 26 July 2021)

**Mr Tom Grinyer** (Chief Executive Officer)

**Mr Roger Horton** (Chair of BMJ Publishing)

**Mrs Neeta Major** (Group Chief Financial Officer) (appointed 22 February 2021)

**Mrs Catherine Mayor** (Non-Executive Director)

**Dr Helena McKeown** (Chair of Representative Body) (resigned 15 June 2021)

**Dr Chaand Nagpaul** (Chair of Council and BMA Board)

**Ms Elisa Nardi** (Non-Executive Director)

**Dr Kevin O'Kane** (Council Member)

**Dr Latifa Patel** (Chair of Representative Body) (appointed 16 June 2021)

**Dr Trevor Pickersgill** (Treasurer)

**Dr Vishal Sharma** (Council Member) (appointed 10 September 2021)

**Dr David Wrigley** (Deputy Chair of Council)

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The BMA's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the BMA's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The BMA does not use derivative financial instruments for speculative purposes. Details of other risks and the management of these can be found in the Strategic Report and also in the Audit and Risk Committee Report.

## EMPLOYMENT MATTERS AND INFORMATION

The BMA is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of gender, race, age, colour, disability or sexual orientation. The BMA gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the BMA. If members of staff become disabled the BMA continues employment, either in the same or an alternative position, with appropriate retraining being given.

## FUTURE DEVELOPMENTS

Commentary on future developments is included within the Strategic Report.

## EMPLOYEE INVOLVEMENT

The BMA systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests.

Employee involvement in the BMA is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the BMA. The BMA encourages the involvement of employees by means of an intranet, email updates, notice boards, information bulletins and circulars. In addition, regular meetings are held with staff representatives on general and specific matters.

## POLITICAL CONTRIBUTIONS

The BMA made no political donations during the year (2020: £NIL).

Charitable donations in the year totalled £213,000 (2020: £364,000) to various medical education and research charities to support COVID-19 related initiatives.

## BMA HOUSE AND EDINBURGH OFFICE VALUATION

The directors consider that the market value of BMA House, London, based on its existing use, is significantly higher than the carrying value included within the balance sheet, as stated in Note 18. The last valuation undertaken was as at 31 December 2021, which gave a value of £190m. The Edinburgh office existing use value at the 31 December 2021 gave a value of £2.9m, which is above the carrying value within the balance sheet.

## QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

A qualifying third-party indemnity provision, which was in force during the financial year and also at the date of approval of the financial statements, is held on behalf of the directors of the BMJ by the company's ultimate parent undertaking, the BMA.

## GOING CONCERN

The BMA has undertaken an assessment of going concern and considered the level of disclosure relating to these issues within the financial statements. The directors have completed a detailed cashflow analysis for 2022 and pushing the viability review to 2025, including performing reverse stress testing which looked at a number of different scenarios such as a loss of members. Following this review and given the mitigating controls, some of which are discussed in the strategic report, along with the cash and investment portfolio controlled by the BMA group, the Directors have concluded that the BMA and BMA group have sufficient resources to meet its ongoing liabilities for twelve months from the date that these financial statements have been signed, that there are no material uncertainties and as a result the accounts have been prepared on a going concern basis.

## POST BALANCE SHEET EVENTS

Commentary on post balance sheet events is included within the Strategic Report.



## STATEMENT REQUIRED BY THE TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992

A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct. The member may raise any such concern with one or more of the following as it seems appropriate to raise with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police. Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he/she should consider obtaining independent legal advice.

## EQUALITY, DIVERSITY AND INCLUSION (EDI)

Our aim is to foster a culture where individual differences and diversity are welcomed. We are committed to promoting equal rights and opportunities, pro-actively tackling discrimination or disadvantage in all forms and creating an open and inclusive culture for our members, staff and stakeholders.

Ensuring we are a diverse and inclusive organisation for our members, staff and stakeholders is important for the following reasons:

- **Sustainability:** The medical profession across the UK is becoming increasingly diverse. Our membership should reflect the medical workforce and student body to be sustainable, to grow and to allow the voices of all groups to be heard in the decisions we make as a trade union, professional association, and as a business.
- **Policy making:** Embedding values of equality, diversity and inclusion in our organisational processes and policies strengthens our ability to stand up for our members, both individually and collectively, on a wide variety of policy and employment issues. It also ensures our policy making is grounded in creating improved conditions for work and study, ensuring fair treatment of all, and equal access to working and educational opportunities.
- **External influence:** Embedding equality, diversity and inclusion into the heart of our work allows us to respond to and influence effectively, quickly and coherently on key issues affecting our members' working lives and wider public health matters. These values ensure our work is aligned with our legal obligations around equalities and that we can create a strong moral case for our advocacy for our members and the wider medical workforce.
- **High-performance organisation:** Organisations that are more inclusive and embrace diversity perform better and achieve more. An organisational commitment to equality, diversity and inclusion helps us in attracting and retaining talented and committed staff and members, who can thrive in a positive working environment in which individual differences are valued and welcomed.

The BMA's EDI work is carried out by teams who work closely and in collaboration with one another: our corporate EDI team is accountable for the BMA's corporate commitment to EDI, the EIC (equality, inclusion and culture) policy team is accountable for the formulation and delivery of the BMA's external policy on equality, inclusion and workplace culture issues in England, and the BMA HR (human resources) team are responsible and accountable for equality, diversity, and inclusion related matters for BMA staff. The EIC policy and corporate EDI teams also work with BMA Scotland, BMA Northern Ireland and BMA Cymru Wales to understand the unique equality, diversity and inclusion considerations for all four countries in the UK.

Find out more about our EDI work here: [bma.org.uk/about-us/equality-diversity-and-inclusion](https://bma.org.uk/about-us/equality-diversity-and-inclusion)

## MODERN SLAVERY ACT 2016

In compliance with the Modern Slavery Act, BMA's website has a statement on the steps the BMA takes to ensure that slavery and human trafficking do not occur in its supply chain or operations.

## GENDER PAY

Organisations with over 250 employees are required to publish information about gender pay difference. The 2021 figures for the BMA/BMJ group show that on average (median) men earn 11.7 per cent more per hour than women. This is a small fall from the 11.9 per cent median gender pay gap reported last year and is lower than the UK median gender pay gap figure of 15.4% for 2021.

When the gender pay gap is broken down by quartiles, women occupy 74% of the lowest pay jobs. It is this overrepresentation of women in the lowest pay quartile that creates the BMA/BMJ group's gender pay gap. In the highest pay quartile the distribution is much more even with women occupying 53% of the highest pay jobs in the BMA/BMJ group.

While the BMA/BMJ group has made progress on introducing initiatives to reduce the gender pay gap, there is still some way to go. The BMA and BMJ have produced action plans to address the gender pay gap. Many of the actions focus on facilitating career progression and include: new recruitment software which supports blind shortlisting to reduce unconscious bias; gender balanced recruitment and selection panels for senior roles; mixed gender candidate shortlists; quarterly progress check-ins conversations to include career development; roll out of a mentoring programme; and a flexible working opportunities.

There has also been a concerted effort to raise awareness of gender pay issues through the publication of the gender pay gap figures, action plan and a programme of training modules to support equality, diversity and inclusion. The group is determined to reduce our gender pay gap and we are working with our employees and the staff women's networks to identify additional practical ways in which we can do this.

The BMA/BMJ group are also committed to championing equal rights and opportunities, and proactively tackling discrimination or disadvantage in all forms to create an open and inclusive culture for our employees, members, customers and stakeholders.

## GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION

### Streamline Energy and Carbon Reporting (SECR)

During the year the British Medical Association operated in seven offices. Our London office (BMA House) is heated through gas oil and burning oil. Our remaining offices are heated through gas and our electricity is purchased. The BMA has a fleet of 18 company cars (2020: 22) and 49 grey fleet drivers (2020: 45) (staff who are in receipt of an allowance for using their own car). Any member of staff can claim mileage as a business expense if they use their car for a relevant business journey (not for commuting). Though not employed by the BMA, we have included mileage claimed by BMA committee members.

Energy source	2021 Consumption kWh	2020 Consumption kWh	Scope	2021 Emissions calculation - tCO <sub>2</sub> e	2020 Emissions calculation - tCO <sub>2</sub> e
Gas oil (ULS gas oil)	470,436	588,500	Scope 1	120.80	151.07
Burning oil (premium boiler heat)	1,401,799	2,916,342	Scope 1	345.92	719.34
Gas	151,171	n/a	Scope 1	27.68	n/a
Electricity	1,924,792	3,012,667	Scope 2	408.70	702.37
Transport – company cars	2,540	28,570	Scope 1	0.63	7.07
Transport – BMA members	46,884	178,286	Scope 3	11.55	43.66
<b>TOTAL</b>	<b>3,997,622</b>	<b>6,724,365</b>		<b>915.28</b>	<b>1,623.51</b>
Intensity ratio				1.737 per BMA FTE	3.178 per BMA FTE

## Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines.

To calculate our consumption and GHG emissions, we have followed the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting and the Carbon’s Trust Conversion Factors to calculate litres of gas oil and burning oil into kWh.

GHG protocol scope	Definition
Scope 1 (Direct) GHG emissions	These include emissions from activities owned or controlled by your organisation that release emissions into the atmosphere. They are direct emissions. Examples of Scope 1 emissions include emissions from combustion in owned or controlled boilers, furnaces, vehicles; emissions from chemical production in owned or controlled process equipment.
Scope 2 (Energy indirect) emissions	These include emissions released into the atmosphere associated with your consumption of purchased electricity, heat, steam and cooling. These are indirect emissions that are a consequence of your organisation’s activities, but which occur at sources you do not own or control.
Scope 3 (Other indirect) emissions	Emissions that are a consequence of your actions, which occur at sources which you do not own or control and which are not classed as Scope 2 emissions. Examples of Scope 3 emissions are business travel by means not owned or controlled by your organisation, waste disposal which is not owned or controlled, or purchased materials.

## Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per FTE member of staff.

## Measures taken to reduce our environmental impact

The BMA recognises the detrimental effects climate change has on health and aims to minimise our impact on the environment. We commissioned an eco-audit in 2019 to evaluate all aspects of our operations to see where our ecological and climate impacts could be reduced. We also commissioned a further decarbonisation audit of BMA House to help inform the overarching carbon descent plan. The BMA owns our London and Edinburgh offices, providing the opportunity to implement a wider set of energy efficiency measures.

We have taken several steps to improve our environmental impact:

- Our London (BMA House), Edinburgh and Cardiff offices are on a renewable electricity tariff.
- We have devised an overarching carbon descent plan, to inform future uses of BMA House whilst reaching our overall carbon footprint reduction goals. The plan includes exploring environmental heating options for BMA House.
- All BMA House lighting is being replaced with LED.
- We use Office 365, allowing us to save and archive files and folders to the cloud reducing the number of machines we use and our energy consumption. We have rationalised our data requirements and moved to specialist data providers where economies of scale and economies of environmental impact are maximised.
- We have installed energy saving hand driers in BMA House.
- The new BMA House library and staff hub have been fitted with PIR (passive infra-red) lights.
- BMA House has achieved a zero-to-landfill status – meaning that no waste produced there goes to a landfill but is either recycled or recovered.
- We will be publishing the BMA’s first sustainability report in spring 2022.
- We have created guidance for members on how to reduce carbon emissions in their workplace: The sustainable and environmentally friendly general practice report was published in June 2020.
- In 2020, we wrote a paper called ‘Climate change and sustainability: The Health Service and Net Zero’ examining the state of play for sustainability in NHS Trusts and Health Boards, and recommending steps that can be taken to make the NHS a less carbon intensive system. We will be publishing an updated report on this issue in 2022, assessing the progress Trusts have made against our recommendations.
- We have started insulation works at BMA House and our Edinburgh office to reduce building energy use.





PHOTO: BMA HOUSE

- We have implemented the 'dead band' in our offices where possible (where heating is set to 19 degrees and cooling to 25 degrees).
- We promote paperless/e-first ways of working, switching to recycled photocopying paper when it is necessary to print.
- As part of our company fleet policy, the BMA only chooses low CO2 petrol vehicles.

## DISCLOSURE OF INFORMATION TO AUDITORS

The directors confirm that at the time when this Directors' report is approved:

- so far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each director has taken all the steps that they ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## AUDITORS

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor and a resolution to appoint them will be proposed at the forthcoming AGM.

This report was approved by the board and signed on its behalf.

*Chaand Nagpaul*

Dr Chaand Nagpaul (Chair of Council and BMA Board)  
Director

Date: 27 May 2022 BMA House

British Medical Association  
Tavistock Square  
London  
WC1H 9JP

## DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Group strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





## AUDIT AND RISK COMMITTEE REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The chairman presents his statement for the period.

The Audit and Risk membership is comprised of the following:

- **Jacques Cadranel** (lay member, Chair)
- **Kathryn Cearns** (lay member, Deputy Chair)
- **Brian McCarthy** (lay member, BMJ)
- **Krishan Aggarwal** (elected by Council)
- **Peter Holden** (elected by Council)

Committee meetings were also attended by the BMA treasurer, BMA chief executive, BMJ chief executive, BMA chief financial officer and chief accountant, BMJ chief financial officer and BMA council secretariat. At the beginning of 2021, Neeta Major was permanently appointed to the role of BMA Group Chief Financial Officer, a key appointment for the BMA Group and the committee. The Committee is advised throughout the year by the external and internal auditors who also attend its meetings.

The committee advises and makes recommendations to the board of directors on matters pertaining to its scope and expertise. As well as regular exchanges between the committee and senior leaders, ARC reported throughout the year to the Board of Directors and to Council in July 2021.

The committee met three times in 2021 and meetings were structured to enable it to meet the requirements of its terms of reference (set out at schedule 1 to the byelaws of the BMA's constitution) as detailed below:

### Integrity of financial reporting

During 2021, the committee received regular reports from the BMA chief financial officer and chief accountant, BMJ chief financial officer and the treasurer regarding the financial performance, systems and processes operating within the BMA and its subsidiary, the BMJ Publishing Group Ltd.

The committee considered the annual directors' report and financial statements prior to their approval by the Board of Directors and Council. During 2021, the ARC obtained sufficient assurance from both the internal and the external auditors that the integrity of the Association's financial reporting was maintained.

### External auditor

The committee received regular verbal and written reports from Grant Thornton, its external auditor. The committee's work programme for the year included approving the proposed audit strategy, agreeing the schedule of audit fees and receiving the auditors' final report at the conclusion of their audit work.

In addition, the committee continued to ensure the independence and objectivity of the external auditors by:

- Conducting a review into the effectiveness of the auditor annually
- Setting out an appropriate policy on the provision by the external auditor of non-audit work and;
- Receiving written confirmation of their independence and objectivity and compliance with the Financial Reporting Council's Ethical Standard.



PHOTO: EMMA BROWN – BMA SPECIAL LMC 2020

## INTERNAL CONTROLS, SYSTEMS AND PROCESSES

### Internal audit

During 2021, the committee continued to monitor the effectiveness of the BMA's internal control systems and were advised by internal auditors, Crowe, who reported regularly to the committee and the chair. Day to day liaison and management of the internal auditor's activity was led by the BMA's Chief financial officer. The approved a three-year internal audit plan encompassing a review into the effectiveness of internal controls in the following areas for 2021:

#### BMA Group

- Reputation risk

#### BMA

- Culture – Romney Report Assurance
- Membership Process – Investment in CRM
- IT Baseline Review

#### BMJ

- Global Publishing Strategy
- Salesforce effectiveness

### Cyclical Reviews

- Follow-up review

Along with each completed review, the organisation was given a detailed report of actions identified for improvement. The actions identified are agreed with managers to improve systems and controls and the committee monitor progress against agreed actions by way of regular reports from management.

## RISK MANAGEMENT

The processes surrounding the identification, mitigation and control of risk form a major part of the audit and risk committee agenda, but with ultimate responsibility falling to the Board of Directors.

In April 2021, the BMA launched a new risk management framework across all directorates of the BMA. The framework provides a consistent approach to how we identify, score and mitigate risk. In summary, the framework has:





PHOTO: EMMA BROWN – BMA SPECIAL LMC 2020

## Directorate risk registers

Each directorate has a designated risk champion. Risk champions were nominated by directors as people who:

- have oversight of a teams across the directorate,
- can engage their peers in conversations about risk, and
- have capacity to update their directorate risk registers on a routine basis.

All risk champions have received the same training in terms of the BMA approach to risk. Each risk champion ensures their risk register is updated routinely (every 2 months). Risk are categorised: strategic, financial, ops/compliance, people or reputation. Where risk that could have a reputational impact on the BMJ is identified, we will alert the BMJ's risk manager.

Where a directorate risk scores high, directors may choose to discuss the risk with their peers at a weekly leadership meeting and, collectively, decide if the risk should feature on the corporate risk register (and be closed-off the directorate register).

Directorate risk registers are reviewed every two months by the head of strategic management and feedback to risk champions (cover freshness of information, scoring, mitigating actions) is provided.

## Corporate risk register

The corporate risk register is managed by the strategic management team. Each risk is owned by a member of the leadership team and mitigating actions each have a designated owner. The corporate risk register is reviewed and updated by directors prior to each board and ARC meeting.

Both the BMA and BMJ corporate risk registers are reviewed at ARC, where the committee dynamically concerns itself with the changing risk landscape and through its programme of work seeks to ensure that the efficacy of the risk management controls within the Association are fit for purpose.

The committee works closely with the BMA Board and senior management, helping with workshops to help the organisation's risk appetite. At the committee's recommendation a risk policy statement was adopted by the Board of Directors.

It also periodically reviews risk assessment methodology to ensure that it is appropriate to the current circumstances of the BMA Group with changes notified as appropriate.

Name **Mr Jacques Cadranel**  
Chair, Audit and Risk Committee  
Date 27 May 2022





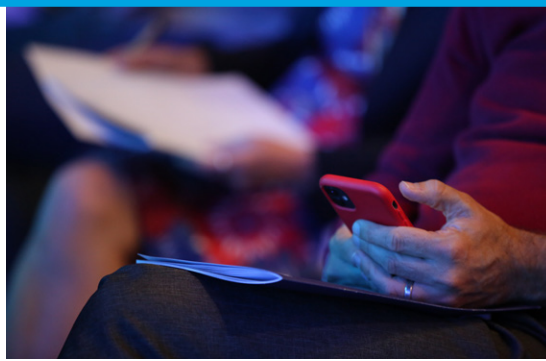


PHOTO: ARM 2022



**INDEPENDENT  
AUDITORS' REPORT  
TO THE MEMBERS  
OF BRITISH MEDICAL  
ASSOCIATION**



PHOTO: DR RAY MCCRUDDEN



PHOTO: EMMA BROWN – BMA ONSULTANTS CONFERENCE 2022

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH MEDICAL ASSOCIATION

### OPINION

We have audited the financial statements of British Medical Association (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the consolidated statements of income and expenditure, the consolidated statements of comprehensive income, the company and consolidated balance sheets, the company and consolidated statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## CONCLUSIONS RELATING TO GOING CONCERN

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.



## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.



**AUDITORS’  
RESPONSIBILITIES FOR  
THE AUDIT OF THE  
FINANCIAL STATEMENTS**





PHOTO: STUART CHAPMAN

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

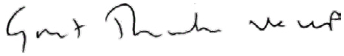
- The group and parent company are subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur: the Companies Act 2006, the Trade Union and Labour Relations (Consolidation) Act 1992, FRS 102, tax legislation, anti-bribery legislation and employment law;
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Directors, and from inspection of the group's Board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the Directors;
- Based on the results of our risk assessment, we designed audit procedures to identify non-compliance with such laws and regulations as identified above. These audit procedures were performed at all components within the scope of our audit. Our procedures also involved journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business; enquiries of legal counsel and group management; and consideration of the volume and nature of complaints received through whistleblowing during the year;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may



- involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
    - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
    - knowledge of the industry in which the group and the parent company operates;
    - understanding of the legal and regulatory requirements specific to the group and parent company.
  - We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

## USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and solely to the Company in accordance with section 36(1) of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

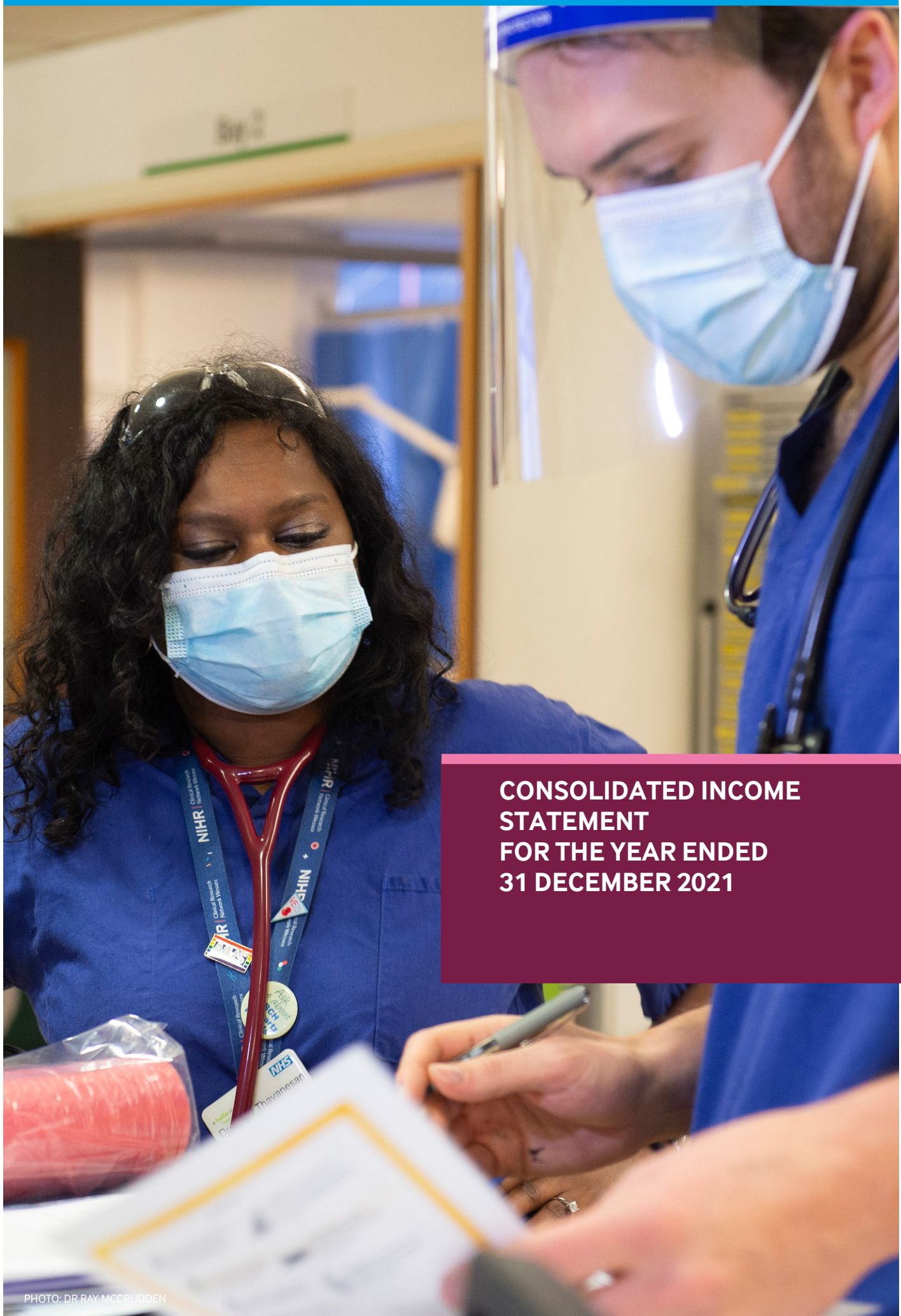


**Nicholas Page**

Senior statutory auditor  
for and on behalf of  
Grant Thornton UK LLP

30 Finsbury Square  
London  
EC2A 1AG

27 May 2022



**CONSOLIDATED INCOME  
STATEMENT  
FOR THE YEAR ENDED  
31 DECEMBER 2021**

PHOTO: DR RAY MCCRUDDEN

## CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	As restated 2020 £000
Turnover	4	<u>134,619</u>	<u>133,040</u>
<b>Gross profit</b>		<b>134,619</b>	133,040
Administrative expenses	5	<b>(135,118)</b>	(137,255)
Other operating income	6	<u>3,620</u>	<u>4,283</u>
<b>Operating profit</b>	7	<b>3,121</b>	68
Dividend income from fixed asset investments	11	<b>2,269</b>	2,265
Fair value gain on fixed asset investments	11	<b>12,953</b>	2,376
Gain on disposal of fixed asset investments	11	<b>525</b>	248
Property income on fixed asset investments	11	<b>610</b>	588
Interest receivable and similar income	12	<b>43</b>	69
Other finance costs	28	<u>(799)</u>	<u>(759)</u>
<b>Profit before tax</b>		<b>18,722</b>	4,855
Tax on profit	14	<u>(7,843)</u>	<u>(3,265)</u>
<b>Profit for the financial year</b>		<b><u>10,879</u></b>	<b><u>1,590</u></b>
<b>Profit for the year attributable to:</b>			
Owners of the parent		<u>10,879</u>	<u>1,590</u>
		<b><u>10,879</u></b>	<b><u>1,590</u></b>

The notes on pages 43 to 74 form part of these financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	As restated 2020 £000
Profit/(loss) for the financial year		<u>10,879</u>	<u>1,590</u>
<b>Other comprehensive income</b>			
Actuarial gain/(loss) on defined benefit schemes	28	<b>57,559</b>	(2,163)
Irrecoverable surplus other than interest	28	<b>(43,494)</b>	-
<b>Deferred tax movement relating to pension</b>	22	<u>(769)</u>	<u>185</u>
<b>Other comprehensive income/(expense) for the year</b>		<b><u>13,296</u></b>	<b><u>(1,978)</u></b>
<b>Total comprehensive income/(expense) for the year</b>		<b><u>24,175</u></b>	<b><u>(388)</u></b>

The notes on pages 43 to 74 form part of these financial statements.



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	As restated 2020 £000
<b>Fixed assets</b>			
Intangible assets	17	2,947	2,816
Tangible assets	18	7,808	7,606
<b>Investments</b>	19	<u>146,541</u>	<u>139,517</u>
		<b>157,296</b>	149,939
<b>Current assets</b>			
Stocks		7	9
Debtors: amounts falling due within one year	20	24,326	25,717
Cash at bank and in hand		<u>44,551</u>	<u>28,107</u>
		<b>68,884</b>	53,833
Creditors: amounts falling due within one year	21	<u>(60,889)</u>	<u>(55,327)</u>
<b>Net current assets/(liabilities)</b>		<u>7,995</u>	<u>(1,494)</u>
<b>Total assets less current liabilities</b>		<b>165,291</b>	148,445
<b>Provisions for liabilities</b>			
Deferred taxation	22	(10,257)	(5,442)
Other provisions	23	(1,122)	
		<u>(11,379)</u>	<u>(5,442)</u>
<b>Net assets excluding pension liability</b>		<b>153,912</b>	143,003
Pension liability	28	-	(13,266)
<b>Net assets</b>		<u><b>153,912</b></u>	<u>129,737</u>
<b>Capital and reserves</b>			
Profit and loss account: non-distributable	24	56,893	52,859
Revaluation reserve	24	454	454
Other reserves: distributable	24	56,378	56,378
Profit and loss account: distributable	24	<u>40,187</u>	<u>20,046</u>
<b>Total capital and reserves</b>		<u><b>153,912</b></u>	<u>129,737</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*Trevor Pickersgill*  
**Dr Trevor Pickersgill** (Treasurer)  
 Director

*Chaand Nagpaul*  
**Dr Chaand Nagpaul** (Chair of Council and BMA Board)  
 Director

Date: 27 May 2022

Date: 27 May 2022 The notes on pages 43 to 74 form part of these financial statements.

## COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	As restated 2020 £000
<b>Fixed assets</b>			
Intangible assets	17	861	336
Tangible assets	18	7,751	7,517
Investments	19	<u>140,878</u>	<u>140,878</u>
		<b>149,490</b>	<b>148,731</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	20	6,034	3,752
Cash at bank and in hand		<u>8,432</u>	<u>7,759</u>
		<b>14,466</b>	<b>11,511</b>
Creditors: amounts falling due within one year	21	<u>(39,345)</u>	<u>(35,008)</u>
<b>Net current liabilities</b>		<b>(24,879)</b>	<b>(23,497)</b>
<b>Total assets less current liabilities</b>		<b>124,611</b>	<b>125,234</b>
<b>Provisions for liabilities</b>			
Deferred taxation	22	(190)	(168)
Other provisions	23	<u>(1,122)</u>	<u>-</u>
		<b>(1,312)</b>	<b>(168)</b>
<b>Net assets excluding pension liability</b>		<b>123,299</b>	<b>125,066</b>
Pension liability	28	<u>-</u>	<u>(13,266)</u>
<b>Net assets</b>		<b>123,299</b>	<b>111,800</b>
<b>Capital and reserves</b>			
Profit and loss account: non-distributable	24	59,000	59,000
Revaluation reserve	24	454	454
Profit and loss account: distributable brought forward		52,346	55,836
Loss for the year		(1,797)	(1,512)
Other changes in the profit and loss account		<u>13,296</u>	<u>(1,978)</u>
Profit and loss account carried forward		<u>63,845</u>	<u>52,346</u>
<b>Total capital and reserves</b>		<b>123,299</b>	<b>111,800</b>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*Trevor Pickersgill*  
**Dr Trevor Pickersgill** (Treasurer)  
 Director

*Chand Nagpaul*  
**Dr Chand Nagpaul** (Chair of Council and BMA Board)  
 Director

Date: 27 May 2022

Date: 27 May 2022 The notes on pages 43 to 74 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Revaluation reserve £000	Profit and loss account: non- distributable £000	Other reserves: distributable £000	Profit and loss account: distributable £000	<b>Total equity £000</b>
At 1 January 2020 (as reported)	54,609	-	56,378	19,397	<b>130,384</b>
Prior year adjustment	(54,155)	54,155	-	-	-
At 1 January 2020 (as restated)	454	54,155	56,378	19,397	<b>130,384</b>
Profit for the year	-	-	-	1,590	<b>1,590</b>
Actuarial losses on pension scheme	-	-	-	(2,163)	<b>(2,163)</b>
Deferred tax movement on pension asset	-	-	-	185	<b>185</b>
Gain realised on disposal	(3,110)	-	-	(3,110)	-
Unrealised fair value movement on investments	2,376	-	-	(2,635)	<b>(259)</b>
<b>At 31 December 2020 (as reported)</b>	53,875	-	-	75,862	<b>129,737</b>
Prior year adjustment	(53,421)	52,859	56,378	(55,816)	-
<b>At 31 December 2020 (as restated)</b>	454	52,859	56,378	20,046	<b>129,737</b>

The notes on pages 43 to 74 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Revaluation reserve £000	Profit and loss account: non- distributable £000	Other reserves: distributable £000	Profit and loss account: distributable £000	<b>Total equity £000</b>
At 1 January 2021	454	52,859	56,378	20,046	<b>129,737</b>
Profit for the year	-	-	-	10,879	<b>10,879</b>
Actuarial gains on pension scheme (Note 28)	-	-	-	14,065	<b>14,065</b>
Deferred tax movement on pension asset	-	-	-	(769)	<b>(769)</b>
Gain realised on disposal (Note 19)	-	(4,126)	-	4,126	-
Unrealised fair value movement on investments (Note 19)	-	12,953	-	(12,953)	-
Deferred tax on fair value movement on investments	-	(4,793)	-	4,793	-
<b>At 31 December 2021</b>	454	56,893	56,378	40,187	<b>153,912</b>

The notes on pages 43 to 74 form part of these financial statements.



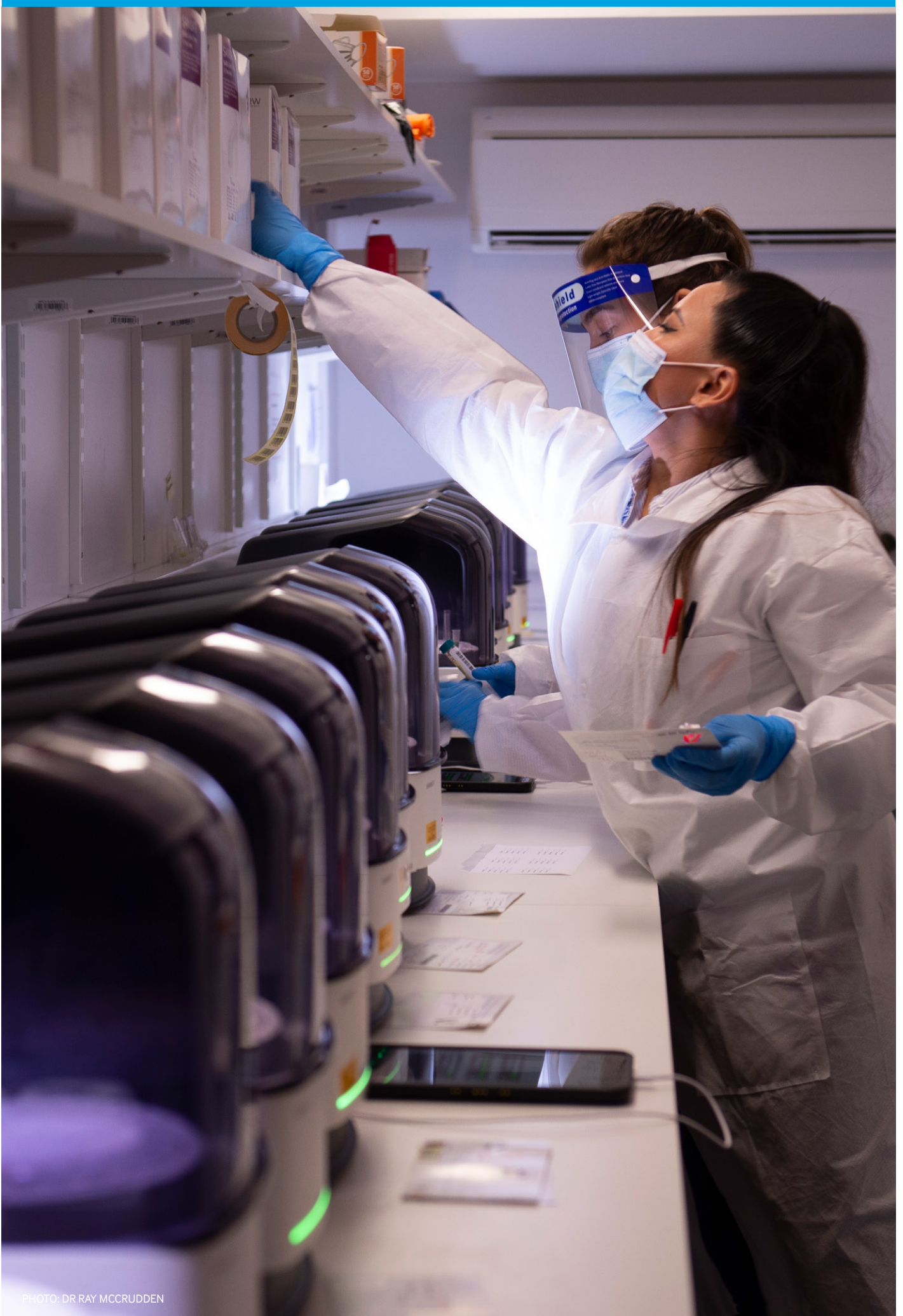


PHOTO: DR RAY MCCRUDDEN

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Revaluation reserve £000	Profit and loss account: non- distributable £000	Profit and loss account: distributable £000	<b>Total equity £000</b>
<b>At 1 January 2020 (as reported)</b>	59,454	-	55,836	<b>115,290</b>
Prior year adjustment	(59,000)	59,000	-	-
<b>At 1 January 2020 (as restated)</b>	454	59,000	55,836	<b>115,290</b>
Loss for the year	-	-	(1,512)	<b>(1,512)</b>
Actuarial losses on pension scheme	-	-	(2,163)	<b>(2,163)</b>
Deferred tax charge on the increase in fair value	-	-	185	<b>185</b>
<b>At 1 January 2021</b>	454	59,000	52,346	<b>111,800</b>
Loss for the year	-	-	(1,797)	<b>(1,797)</b>
Actuarial gains on pension scheme	-	-	14,065	<b>14,065</b>
Deferred tax on pension scheme	-	-	(769)	<b>(769)</b>
<b>At 31 December 2021</b>	454	59,000	63,845	<b>123,299</b>

The notes on pages 43 to 74 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	As restated 2020
	Note	£000	£000
<b>Cash flows from operating activities</b>			
Profit for the financial year			
<b>Adjustments for:</b>		<b>10,879</b>	1,590
Amortisation of intangible assets		508	594
Depreciation of tangible assets		761	824
Loss on disposal of tangible assets		-	(57)
Income from investments and interest		<b>(13,606)</b>	(5,279)
Taxation charge		7,843	3,265
Decrease/(increase) in stocks		2	(3)
Decrease/(increase) in debtors		742	(2,120)
Increase in creditors		4,640	3,380
Increase in provisions		1,122	-
Corporation tax (paid)		<b>(3,276)</b>	(3,233)
Other finance expenditure		799	759
Past service pension expenditure		-	40
Amortisation of goodwill adjustment		-	(259)
		<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>16</b>	<b>10,414</b>	(499)
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		<b>(639)</b>	(612)
Purchase of tangible fixed assets		<b>(963)</b>	(273)
Sale of tangible fixed assets		-	57
Purchase of listed investments		<b>(2,746)</b>	-
Sale of listed investments		9,725	4,752
Interest received		43	69
Dividends received		610	569
		<hr/>	<hr/>
<b>Net cash from investing activities</b>		<b>6,030</b>	4,562
		<hr/>	<hr/>
Net increase in cash and cash equivalents		<b>16,444</b>	4,063
Cash and cash equivalents at beginning of year		<b>28,107</b>	24,044
Cash and cash equivalents at the end of year		<b>44,551</b>	28,107
		<hr/> <hr/>	<hr/> <hr/>
<b>Cash and cash equivalents at the end of year comprise:</b>			
Cash at bank and in hand		<b>44,551</b>	28,107
		<b>44,551</b>	28,107

The notes on pages 43 to 74 form part of these financial statements.





**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 1. GENERAL INFORMATION

British Medical Association (the Company) is a private Company, limited by guarantee, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office BMA House, Tavistock Square, London, WC1H 9JP, United Kingdom.

### 2. ACCOUNTING POLICIES

#### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Balances are rounded to a nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income statement in these financial statements.

The following principal accounting policies have been applied:

#### 2.2 FINANCIAL REPORTING STANDARD 102 – REDUCED DISCLOSURE EXEMPTIONS

The Parent Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- Disclosures required by this section need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### 2.3 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated income statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

Control exists when the Association has the power to directly or indirectly to govern the financial and operational policies. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Association.

#### 2.4 GOING CONCERN

The BMA has undertaken an assessment of going concern and considered the level of disclosure relating to these issues within the financial statements. The directors have completed a detailed cashflow analysis for 2022 and pushing the viability review to 2025, including performing reverse stress testing which looked at a number of different scenarios such as a loss of members. Following this review and given the mitigating controls, some of which are discussed in the strategic report, along with the cash and investment portfolio controlled by the BMA group, the Directors have concluded that the BMA and BMA group have sufficient resources to meet its ongoing liabilities for twelve months from the date that these financial statements have been signed, that there are no material uncertainties and as a result the accounts have been prepared on a going concern basis.



## 2.5 FOREIGN CURRENCY TRANSLATION

### Functional and presentation currency

The Company's functional and presentational currency is GBP.

### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

## 2.6 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### Publishing subscriptions and advertising

Publishing subscriptions and advertising revenue is generated from the BMJ, and is generated by the following distinct revenue streams:

#### Subscription revenues

Subscription income for online services, information and journals is normally received in advance and is therefore recorded as deferred revenue on the balance sheet. Revenue is then recognised evenly over time as the performance obligations are satisfied over the term of the subscription. These revenue streams relate to one performance obligation that is settled over time and so invoice value is recognised on a straight-line basis because the customers simultaneously receive and consume the benefit of accessing the content.



### Licensing revenues

The Group license a number of collaborators, partners and aggregators to access owned content for a finite period of time. As content can be updated or added to and as the period of access is clearly defined, revenue is recognised over the period of the contract.

### Advertising revenues

Advertising in print publications is recognised in the month the publication is issued. Online advertising is predominantly invoiced for a month at a time and so is recognised for the month in which the online advert is live and accessible. These revenue streams relate to one performance obligation which is delivered when the advert is live.

### Open Access revenues

Fees paid to cover the cost of publishing Open Access articles are recognised in the month that confirmation of article acceptance is delivered, which takes the form of an invoice. At this point, all performance obligations relating to the review and acceptance of the article are complete and all costs have been incurred.

### Tailored editions

A variety of bespoke editions, translations and article collections or disaggregations are available for a fee. Once the content has been made available to the paying customer, the performance obligation has been met and the transactional value is recognised.

### Event and course revenues

For events and course, revenue primarily comprises income from exhibitors and sponsors and delegate attendance fees. Event and course revenue is recognised on occurrence of the event or course.

### Publishing fees

The Group coordinate the publication, sale and management of some titles on behalf of third parties. Fees received in lieu of these services are recognised on a straight-lie basis throughout the period over which the service is delivered.

### Publishing royalties

In some instances, the Group receive a royalty based on product financial performance as consideration for coordinating the publication, sale and management of third-party titles. Royalties are recognised in parallel to product financial performance, with the contractual royalty rate applied to the appropriate metric for each period.

### Contract delivery

Where the goods or services promised within a contract are distinct, they are identified as separate performance obligations and are accounted for separately. Where separate performance obligations are identified, total revenue is allocated based on relative stand-alone selling prices or management's best estimate of relative value where stand-alone selling prices do not exist. Recognition of each contract component mirrors the nature of the performance obligation, with licence elements straight-lined over the period agreed and service delivery elements recognised based on the percentage of completion method.

### Membership subscriptions

All subscriptions are taken into income in the year to which they relate. Amounts received by the balance sheet date in respect of future years are deferred.

### Income from other activities

Income from other activities which includes rental, venue event hire and affinity commissions is recognised in the year to which it relates. Deposits received by the balance sheet date in respect of events in future periods are deferred.

## 2.7 OPERATING LEASES: THE GROUP AS LESSOR

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

## 2.8 OPERATING LEASES: THE GROUP AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

## 2.9 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

## 2.10 PENSIONS

### DEFINED CONTRIBUTION PENSION PLAN

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

### DEFINED BENEFIT PENSION PLAN

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience, adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

An asset is recognised to the extent that an employer can recover a surplus in a defined benefit scheme through reduced contributions and refunds. Where this is not the case, no asset is recognised. A liability is recognised to the extent that the deficit reflects the employer's legal or constructive obligation.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

### MULTI-EMPLOYER PENSION PLAN

The Group is a member of a multi-employer plan. Where it is not possible for the Group to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.



## 2.11 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## 2.12 INTANGIBLE ASSETS

### GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated income statement over its useful economic life.

### OTHER INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	5 to 20 years
Computer software	5 years

### Computer software

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Association are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use;
- Management intends to complete the software and use or sell it;
- It can be demonstrated how the software will generate probable future economic benefits;
- Adequate technical, financial, and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Other computer software expenditure that does not meet these criteria are recognised as an expense as incurred. Development cost previously recognised as an expense are not recognised as an asset in subsequent periods.

## 2.13 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group operates a capitalisation policy, whereby only items in excess of £1,500 are capitalised.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	1% to 33%
Long-term leasehold property	Term of the lease
Motor vehicles	25%
Plant and office equipment	10% to 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2.14 REVALUATION OF TANGIBLE FIXED ASSETS

With the exception of a surplus of £454,000 that arose on the revaluation of BMA House, London in 1957, all acquisitions of, and additions to, freehold premises are shown in the balance sheet at cost. Expenditure since 1957 is capitalised where it is probable that future economic benefit in excess of that valuation will flow as a result of that expenditure. Depreciation on this expenditure is calculated on a straight-line basis over the estimated useful lives of the asset categories, the rates of depreciation varying from 1% to 33.3%. All other expenditure is treated as an expense.

## 2.15 IMPAIRMENT OF FIXED ASSETS, INTANGIBLES AND GOODWILL

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

## 2.16 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated income statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

## 2.17 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

## 2.18 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.





PHOTO: DR RAY MCCRUDDEN



## 2.19 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## 2.20 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

## 2.21 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated income statement.

## 3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management and directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The critical judgments and estimates which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

### Provisions and Contingent liabilities

The company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision, see Notes 22 and 26.

### Defined benefit pension scheme

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Therefore these assumptions, individually or collectively, may be different to actual outcomes.

In determining the appropriate discount rate, management relies on an actuary to consider/management considers the interest rates of corporate bonds with extrapolated maturities corresponding to the expected duration of the defined benefit obligation and the quality of the bonds are also reviewed. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country.

The value of the liabilities is calculated by adjusting and updating results of the latest available full/triennial valuation and while the results are not expected to differ materially from those which would arise from undertaking a full valuation, the approximate nature of the figures applied can lead to inaccuracies.

A retirement benefit surplus is only recognised to the extent that it is expected to be recoverable in the future.

Under FRS102, the Defined Benefit pension scheme valuation has resulted in a surplus of £43.5m. Having taken advice from legal consultants, BMA do have the right to any remaining surplus. Under the Scheme documents, the trustees can force the plan to wind up before the last benefit is paid, and thus effectively eliminate any surplus. If the pension trustees terminated the scheme today, it would currently cost in excess of £100m over the value of the assets available. After reviewing both FRS102 and IFRIC14 it is the considered opinion of the BMA directors that the surplus should not be recognised, as if the plan liability is settled by an immediate wind-up, the costs associated with the wind-up would be significant and wipe out any current surplus.

Further detail on the defined benefit pension scheme is included within Note 28.

## 4. TURNOVER

An analysis of turnover by class of business is as follows:

	2021 £000	As restated 2020 £000
Publishing subscriptions and advertising	78,807	77,778
Membership subscriptions	50,342	49,384
Other activities	5,470	5,878
	<u>134,619</u>	<u>133,040</u>

Analysis of turnover by country of destination:

	2021 £000	As restated 2020 £000
United Kingdom	82,108	84,356
Rest of Europe	12,479	13,187
Rest of the world	40,032	35,497
	<u>134,619</u>	<u>133,040</u>

## 5. ADMINISTRATIVE EXPENSES

	2021 £000	As restated 2020 £000
Publishing subscriptions and advertising	71,198	69,706
Members' services	63,899	67,530
Fund management fees	21	19
	<u>135,118</u>	<u>137,255</u>

## 6. OTHER OPERATING INCOME

	2021 £000	2020 £000
As restated		
Property income receivable	<u>3,620</u>	<u>4,283</u>

## 7. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £000	2020 £000
Depreciation	755	824
Amortisation	508	335
Other operating lease rentals	472	472
<b>Gain on disposal of fixed assets</b>	<b>(53)</b>	<b>(57)</b>

## 8. AUDITORS' REMUNERATION

	2021 £000	2020 £000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>198</b>	<b>193</b>

## 9. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	Group 2021 £000	Group 2020 £000	Company 2021 £000	As restated Company 2020 £000
Wages and salaries	56,296	55,316	53,254	52,056
Social security costs	5,567	5,341	5,357	5,233
Cost of defined benefit scheme	-	40	-	40
Cost of defined contribution scheme	5,074	4,945	4,987	4,785
	<b>66,937</b>	<b>65,642</b>	<b>63,598</b>	<b>62,114</b>

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	As restated Company 2020 No.
Members' services	524	511	524	511
Publishing	446	408	380	389
	<b>970</b>	<b>919</b>	<b>904</b>	<b>900</b>

A £29,008,000 (2020: £28,090,000) notional recharge has been recognised by the Company to reflect the grossing up of BMJ Publishing Group Limited's staffing costs, to reflect the legal structure as outlined in the BMJ Publishing Group Limited's contracts of employment.

Similarly, the Company's employee numbers have been grossed up for those 380 (2020: 389) employees that have been included as part of the recharge arrangement.

The prior year has been adjusted to reflect the same notional adjustment made in the current year.



## 10. DIRECTORS' REMUNERATION

	2021 £000	2020 £000
Directors' emoluments	<u>990</u>	<u>951</u>

During the year retirement benefits were accruing to 6 directors (2020: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £287,000 (2020: £243,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2020: £NIL).

Directors of the BMA are deemed to be the Key Management Personnel.

## 11. INCOME FROM INVESTMENTS

	2021 £000	As restated 2020 £000
Unrealised fair value gain on listed investments	12,953	2,376
Income from property investments	2,269	2,265
Dividend income	<u>610</u>	<u>588</u>
	<u>15,832</u>	<u>5,229</u>
<b>Gain on disposal of fixed asset investments</b>		
Realised gain on disposal of listed investments	<u>525</u>	<u>248</u>
	<u>525</u>	<u>248</u>

## 12. INTEREST RECEIVABLE

	2021 £000	2020 £000
Bank interest receivable	<u>43</u>	<u>69</u>

## 13. OTHER FINANCE COSTS

	2021 £000	As restated 2020 £000
Interest income on pension scheme assets	5,890	7,900
Net interest on net defined benefit liability	<u>(6,689)</u>	<u>(8,659)</u>
	<u>(799)</u>	<u>(759)</u>



PHOTO: ARM 2022

## 14. TAXATION

	2021 £000	As restated 2020 £000
<b>CORPORATION TAX</b>		
Current tax on profits for the year	2,892	2,728
Adjustments in respect of previous periods	(57)	(210)
Foreign tax on income for the year	328	238
<b>TOTAL CURRENT TAX</b>	<b>3,163</b>	<b>2,756</b>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	(50)	(188)
Changes to tax rates	(47)	10
Adjustments in respect of prior years	(16)	84
Charge on fair value movements on investments	4,793	603
<b>TOTAL DEFERRED TAX</b>	<b>4,680</b>	<b>509</b>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>7,843</b>	<b>3,265</b>

### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	As restated 2020 £000
Profit on ordinary activities before tax	18,722	4,855
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	3,557	922
<b>EFFECTS OF:</b>		
Non-tax deductible amortisation of goodwill and impairment	707	709
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,044	1,460
Capital allowances for year in excess of depreciation	131	42
Adjustments to tax charge in respect of prior periods	(73)	(125)
Other timing differences leading to an increase (decrease) in taxation	576	477
Non-taxable income	(428)	(430)
Double taxation relief	44	47
Remeasurement of deferred tax for changes in tax rates	1,619	10
Unrealised gains on investments	666	153
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<b>7,843</b>	<b>3,265</b>

### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

A change to the UK Corporation tax rate was announced in the Chancellor's Budget on 3 March 2021. It was announced that the Corporation tax rate will increase from 19% to 25% on 1 April 2023. This change in UK Corporation tax rate was substantively enacted by the balance sheet date, so its effect has been included in these financial statements.





PHOTO: CLIVE NICHOLS

## 15. PROFIT FOR THE FINANCIAL YEAR

	2021 £000	2020 £000
BMA	(5,789)	(8,050)
BMJ Publishing Group	6,029	5,579
BMA Investments	10,610	4,128
BMA Law	29	(67)
	<u>10,879</u>	<u>1,590</u>

## 16. NET CASH GENERATED FROM OPERATING ACTIVITIES

	2021 £000	2020 £000
BMA	(3,228)	(3,042)
BMJ Publishing Group	11,894	3,842
BMA Investments	1,099	(1,264)
BMA Law	649	(35)
	<u>10,414</u>	<u>(499)</u>

## 17. INTANGIBLE ASSETS

### Group

	Computer software £000	Goodwill £000	Total £000
<b>COST</b>			
At 1 January 2021	2,595	71,019	73,614
Additions	639	-	639
At 31 December 2021	<u>3,234</u>	<u>71,019</u>	<u>74,253</u>
<b>AMORTISATION</b>			
At 1 January 2021	1,549	69,249	70,798
Charge for the year on owned assets	298	210	508
At 31 December 2021	<u>1,847</u>	<u>69,459</u>	<u>71,306</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>1,387</u>	<u>1,560</u>	<u>2,947</u>
At 31 December 2020	<u>1,046</u>	<u>1,770</u>	<u>2,816</u>



## 17. INTANGIBLE ASSETS (CONTINUED)

### Company

Computer software  
£000

#### COST

At 1 January 2021	1,679
Additions	639
At 31 December 2021	<u>2,318</u>

#### AMORTISATION

At 1 January 2021	1,343
Charge for the year	114
At 31 December 2021	<u>1,457</u>

#### NET BOOK VALUE

At 31 December 2021	<u>861</u>
At 31 December 2020	<u>336</u>



PHOTO: SARAH TURTON – MSC CONFERENCE 2022



## 18. TANGIBLE FIXED ASSETS

### Group

	Freehold property £000	Long-term leasehold property £000	Motor vehicles £000	Plant & Office equipment £000	Total
£000					
<b>COST OR VALUATION</b>					
At 1 January 2021	13,368	1	583	2,776	<b>16,728</b>
Additions	365	-	75	523	<b>963</b>
Disposals	-	-	(102)	-	<b>(102)</b>
At 31 December 2021	<u>13,733</u>	<u>1</u>	<u>556</u>	<u>3,299</u>	<b><u>17,589</u></b>
<b>DEPRECIATION</b>					
At 1 January 2021	6,349	1	481	2,291	<b>9,122</b>
Charge for the year on owned assets	308	-	61	392	<b>761</b>
Disposals	-	-	(102)	-	<b>(102)</b>
At 31 December 2021	<u>6,657</u>	<u>1</u>	<u>440</u>	<u>2,683</u>	<b><u>9,781</u></b>
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>7,076</u>	<u>-</u>	<u>116</u>	<u>616</u>	<b><u>7,808</u></b>
At 31 December 202	<u>7,019</u>	<u>-</u>	<u>102</u>	<u>485</u>	<b><u>7,606</u></b>

## 18. TANGIBLE FIXED ASSETS (CONTINUED)

### Company

	Freehold property £000	Long-term leasehold property £000	Motor vehicles £000	Plant & Office equipment £000	Total £000
<b>COST OR VALUATION</b>					
At 1 January 2021	13,368	1	583	2,359	<b>16,311</b>
Additions	365	-	75	459	<b>899</b>
Disposals	-	-	(102)	-	<b>(102)</b>
At 31 December 2021	<u>13,733</u>	<u>1</u>	<u>556</u>	<u>2,818</u>	<b><u>17,108</u></b>
<b>DEPRECIATION</b>					
At 1 January 2021	6,349	1	481	1,963	<b>8,794</b>
Charge for the year on owned assets	308	-	61	296	<b>665</b>
Disposals	-	-	(102)	-	<b>(102)</b>
At 31 December 2021	<u>6,657</u>	<u>1</u>	<u>440</u>	<u>2,259</u>	<b><u>9,357</u></b>
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>7,076</u>	<u>-</u>	<u>116</u>	<u>559</u>	<b><u>7,751</u></b>
At 31 December 2020	<u>7,019</u>	<u>-</u>	<u>102</u>	<u>396</u>	<b><u>7,517</u></b>

## 18. TANGIBLE FIXED ASSETS (CONTINUED)

On 31 December 2021, an independent valuation of the Freehold Property was undertaken by Cushman & Wakefield, valuing BMA House at £190m and the Edinburgh Office at £2.9m.

The valuation of BMA House is on the Existing Use Value and Fair Value bases.

The Existing Use Value means the estimated amount for which a property should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost.

The Fair Value means the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The valuation of 14 Queen Street, Edinburgh was on the Existing Use Value basis, by adopting the market approach and using the comparison method by the use of directly comparable market transactions.

The valuations represent a considerable increase on the NBV of Freehold Property held in the accounts.

Freehold Property in both the Group and Company accounts are accounted for under the historic cost method, and therefore no market value uplifts have been recognised in the accounts.

## 19. FIXED ASSET INVESTMENTS

### Group

	Listed investments £000
<b>COST OR VALUATION</b>	
At 1 January 2021	<b>139,517</b>
Additions	<b>2,746</b>
Disposals	<b>(9,200)</b>
Revaluations	<b>13,478</b>
	<hr/>
At 31 December 2021	<b>146,541</b>
	<hr/> <hr/>

Of the £13,478,000 fair value movements, £525,000 was realised on disposal, with £12,953,000 of unrealised gains remaining in respect of amounts held at the Balance Sheet date.

On disposal of £9,200,000 of investments, £4,126,000 of previously unrealised gains were realised, leading to a transfer been the non-distributable to distributable reserve.

## 19. FIXED ASSET INVESTMENTS (CONTINUED) Company

	Investments in subsidiary companies £000
<b>COST OR VALUATION</b>	
At 1 January 2021	<b>140,878</b>
	<hr/>
At 31 December 2021	<b>140,878</b>
	<hr/> <hr/>

### LISTED INVESTMENTS

The fair value of the listed investments at 31 December 2021 was £146,541 (2020: £139,517).





PHOTO: DR RAY MCCRUDDEN

## 20. DEBTORS

	<b>Group</b> <b>2021</b> <b>£000</b>	Group 2020 £000	<b>Company</b> <b>2021</b> <b>£000</b>	Company 2020 £000
Trade debtors	<b>15,820</b>	14,577	<b>645</b>	865
Other debtors	<b>322</b>	516	<b>3,025</b>	6
Prepayments and accrued income	<b>7,798</b>	9,590	<b>2,364</b>	2,112
Deferred taxation	<b>386</b>	1,034	-	769
	<b>24,326</b>	25,717	<b>6,034</b>	3,752

## 21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group</b> <b>2021</b> <b>£000</b>	Group 2020 £000	<b>Company</b> <b>2021</b> <b>£000</b>	Company 2020 £000
Payments received on account	<b>32,369</b>	23,172	<b>8,791</b>	8,474
Trade creditors	<b>6,983</b>	3,527	<b>3,827</b>	1,953
Amounts owed to group undertakings	-	-	<b>17,132</b>	16,046
Corporation tax	<b>1,776</b>	855	<b>322</b>	227
Other taxation and social security	<b>1,709</b>	-	<b>919</b>	-
Other creditors	<b>2,227</b>	446	<b>534</b>	323
Accruals and deferred income	<b>15,825</b>	27,327	<b>7,820</b>	7,985
	<b>60,889</b>	55,327	<b>39,345</b>	35,008

## 22. DEFERRED TAXATION

<b>Group</b>	<b>2021</b>	2020
	<b>£000</b>	£000
At beginning of year	<b>(4,408)</b>	(4,086)
Charged to profit or loss	<b>(4,694)</b>	(507)
Charged to other comprehensive income	<b>(769)</b>	185
<b>AT END OF YEAR</b>	<b>(9,871)</b>	(4,408)

<b>Company</b>	<b>2021</b>	2020
	<b>£000</b>	£000
At beginning of year	<b>601</b>	457
Charged to profit or loss	<b>(22)</b>	(41)
Charged to other comprehensive income	<b>(769)</b>	185
<b>AT END OF YEAR</b>	<b>(190)</b>	601

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£000</b>	£000	<b>£000</b>	£000
Accelerated capital allowances	<b>(96)</b>	(221)	<b>(190)</b>	(168)
Short-term timing differences	<b>292</b>	318	-	-
Pension deficit	-	769	-	769
Fair value movements on investments	<b>(10,067)</b>	(5,274)	-	-
	<b>(9,871)</b>	(4,408)	<b>(190)</b>	601

### COMPRISING:

Asset – due within one year	<b>386</b>	1,034	-	769
Liability	<b>(10,257)</b>	(5,442)	<b>(190)</b>	(168)
	<b>(9,871)</b>	(4,408)	<b>(190)</b>	601



## 23. PROVISIONS

### Group

	Legal cases £000	Total £000
At 1 January 2021	-	-
Charged to profit or loss	1,122	<b>1,122</b>
<b>AT 31 DECEMBER 2021</b>	<b>1,122</b>	<b>1,122</b>

### Company

	Legal cases £000	Total £000
At 1 January 2021	-	-
Charged to profit or loss	1,122	<b>1,122</b>
<b>AT 31 DECEMBER 2021</b>	<b>1,122</b>	<b>1,122</b>

At the year end, an assessment of all ongoing legal cases was undertaken. Disclosure requirements as set out in sections 21.14 to 21.17 of FRS102 have been applied in respect of these cases.

This assessment identified 2 ongoing cases where there is an actual or constructive obligation (as a result of past events) to pursue the cases where it has been assessed as probable that the Association will be required to settle the obligation.

The provision reflects a reliable estimate of the expected outflow of resources in future years in relation to these cases.

For both cases, uncertainty exists in respect of the timing of settlement due to the protracted process when dealing with such cases. However, it is expected that these cases will be settled by 31 December 2022.

Post year end, there have been no developments or changes to the above.

## 24. RESERVES

Profit and loss account: distributable

This reserve relates to the aggregate of distributable profits and losses generated to date.

Other reserves: distributable

Other reserves relate to the legacy reserves transferred from British Medical Association to BMA Investments Limited on acquisition, and forms part of the distributable reserves.

Profit and loss account: non-distributable

This reserve relates to the aggregate of unrealised fair value gains generated from the Group's fixed asset investments, the £454k fair value uplift on BMA House back in 1957, and the £59m fair value uplift following the transfer of the trade and net assets from British Medical Association to BMJ Publishing Group Limited on 1 January 2003, net of the deferred taxation on those unrealised gains.

## 25. COMPANY STATUS

The Company is a private Company limited by guarantee and, consequently, does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

## 26. PRIOR YEAR ADJUSTMENT

Under section 2.47 (a) of FRS102, investments in non-derivative financial instruments that are equity of the issuer (e.g. most ordinary shares and certain preference shares) that are publicly traded or whose fair value can otherwise be measured reliably, which are measured at fair value with changes in fair value recognised in the Income Statement.

Previously, fair value movements on investments, and the respective deferred tax charge on these fair value movements, have been incorrectly treated as other comprehensive income and aggregated within the revaluation reserve. This has given rise to a prior period error, which has been adjusted for in these financial statements.

Of the historic revaluation reserve balance of £54,609,000 as at 31 December 2019, £54,155,000 has been adjusted and reallocated to the Profit and loss account: non-distributable reserve. Similarly, for the Company, of the historic revaluation reserve balance of £59,454,000 as at 31 December 2019, £59,000,000 has been adjusted and reallocated to the Profit and loss account: non-distributable reserve.

Of the historic Profit and loss account: distributable reserve balance of £75,775,000 as at 31 December 2019, £56,378,000 has been adjusted and reallocated to the Profit and loss account: non-distributable reserve.

The 2020 fair value gain on investments of £2,376,000 has been reallocated from Income from other fixed asset investments and is now presented within Income from other fixed asset investments in the Income Statement, and forms part of the Profit and loss account: non-distributable reserve.

The respective £562,000 deferred tax charge on the fair value gain has been reallocated from the Profit and loss account: distributable reserve to the Profit and loss account: non-distributable reserve.

The £3,110,000 gains realised on disposal in 2020 have been reallocated to present this as being transferred from the Profit and loss account: non-distributable, rather than from the Revaluation reserve.

Turnover in the prior year was overstated by £987,000 as a result of a duplicated recharges. Similarly, Administrative costs were also overstated by the same amount. A prior year adjustment has therefore been processed to correct these figures, with no impact on the operating profit.

Various reclassification adjustments have been processed to correct the incorrect classification of the following transactions:

Finance costs in respect of the pension scheme, totalling £40,000, have been reallocated from Other finance expenditure to Administrative expenditure in the Income Statement.

Management fees totalling £19,000 have been reallocated from Income from other fixed asset investments, to Administrative expenditure in the Income Statement.

Property income totalling £4,283,000 has been reallocated from Income from other fixed asset investments, to Other operating income.

Tax of £41,000 has been reallocated from Other comprehensive to the taxation line in the Income Statement.

## 26. PRIOR YEAR ADJUSTMENT (CONTINUED)

The adjustments have led to the following changes to the 2020 Income statement figures:

- Turnover has reduced from £134,027,000 to £133,040,000
- Administrative expenses have reduced from £138,183,000 to £137,255,000
- Other operating income has increased from £NIL to £4,283,000
- Income from other fixed asset investments has decreased from £7,117,000 to £5,229,000
- Other finance costs have decreased from £799,000 to £759,000
- Profit before tax has increased from £2,479,000 to £4,855,000
- Tax on profit has increased from £2,662,000 to £3,265,000
- Profit for the financial year has increased from a loss of £183,000 to a profit of £1,590,000

The adjustments have led to the following changes to the 2020 Statement of comprehensive income:

- Other comprehensive income has decreased from (£205,000) to (£1,978,000)

The adjustments have led to the following changes to the 2020 Statement of financial position and Statement of changes in equity:

- Profit and loss account: distributable has decreased from £75,862,000 to £20,046,000
- Profit and loss account: non-distributable has increased from £NIL to £52,859,000
- Revaluation reserve has decreased from £53,875,000 to £454,000
- Other reserves have increased from £NIL to £56,378,000

## 27. CONTINGENT LIABILITIES

At the year end, an assessment of all ongoing legal cases was undertaken. Disclosure requirements as set out in sections 21.15 to 21.17 of FRS102 have been applied in respect of these cases.

This assessment identified a number of ongoing cases where there is an actual or constructive obligation (as a result of past events), to pursue the cases.

For these cases, it was deemed that either it was not probable that there will be an outflow of resources to settle the obligation, or that it was not possible to reliably estimate the potential outflow of resources. As such, no provision has been recognised for these, but management estimate that potential outflow of resources could be in the region of £2.2m.

For these cases, uncertainty exists in respect of the timing of settlement due to the protracted process when dealing with such cases. However, it is expected that these cases will be settled by 31 December 2023.

Uncertainty also exists in respect of the estimation of the potential outflow of economic resources, either due to cases being in the early stages of the process or due to the complex nature of the cases making it difficult to determine at this time. However, £2.2m is the best estimate at this stage, given the information available.

Post year end, there have been no developments or changes to the above.





PHOTO: BMA HOUSE



## 28. PENSION COMMITMENTS

The Group operates a defined contributions pension scheme.

The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £4,897,000 (2020: £4,885,000). Contributions totaling £668,000 were payable to (2020: £18,000 repayable by) the fund at the reporting date and are included in creditors.

The Group operates a Defined benefit pension scheme.

The British Medical Association ("Association") has applied FRS102 and the following disclosures relate to this standard.

The Association operates a defined benefit scheme called the BMA Staff Pension Scheme (the "Scheme") that pays out pensions at retirement based on service and final pay. The scheme operates under UK trust law and the trust is a separate legal entity from the Association. The assets of the Scheme are held separately from those of the Association, being invested in trustee administered funds, mainly through investment management agreements with specialist Fund Managers. Pension costs are charged to the income and expenditure account so as to spread the cost of the defined benefit scheme over the employees' period of employment with the Association, based on the advice of an independent qualified actuary using the projected unit method.

The most recent formal actuarial valuation of the Scheme was at 31 March 2021 and at this date there were no contributing members in the Scheme. The majority of the pensions in the Scheme, in excess of Guaranteed Minimum Pension (GMP), increase in payment in line with RPI inflation. Other pensions, in excess of GMP, increase in payment in line with RPI subject to a maximum of 5% each year. The actuarial valuation assumed that present and future pensions would increase at a rate of 2.95% per annum, and pensions with capped increases would increase at 2.90% pa.

The actual return on assets over the year to 31 December 2021 was a gain of £30.0 million. The Association expects to make nil contributions to the Scheme in the next financial year.

Reconciliation of present value of plan liabilities:

	<b>2021</b>	2020
	<b>£000</b>	£000
<b>RECONCILIATION OF PRESENT VALUE OF PLAN LIABILITIES</b>		
At the beginning of the year	<b>438,930</b>	410,440
Interest cost	<b>6,076</b>	8,106
Actuarial (gains)/losses	<b>(27,509)</b>	30,629
Administration costs	<b>613</b>	553
Benefits paid	<b>(10,462)</b>	(10,838)
Past service cost	-	40
	<hr/>	<hr/>
<b>AT THE END OF THE YEAR</b>	<b>407,648</b>	438,930

**28. PENSION COMMITMENTS (CONTINUED)**

Reconciliation of present value of plan assets:

	<b>2021</b>	2020
	<b>£000</b>	£000
At the beginning of the year	<b>425,664</b>	400,136
Interest income	<b>5,890</b>	7,900
Actuarial gains/(losses)	<b>30,050</b>	28,466
Benefits paid	<b>(10,462)</b>	(10,838)
Derecognition of surplus	<b>(43,494)</b>	-
<b>AT THE END OF THE YEAR</b>	<b>407,648</b>	425,664

Composition of plan assets:

**TOTAL PLAN ASSETS**

	<b>2021</b>	2020
	<b>£000</b>	£000
Fair value of plan assets	<b>407,648</b>	425,664
Present value of plan liabilities	<b>(407,648)</b>	(438,930)
<b>NET PENSION SCHEME LIABILITY</b>	<b>-</b>	(13,266)

The amounts recognised in profit or loss are as follows:

	<b>2021</b>	2020
	<b>£000</b>	£000
Interest on obligation (including administration costs)	<b>(6,689)</b>	(8,659)
Interest income on plan assets	<b>5,890</b>	7,900
Past service cost	<b>-</b>	(40)
<b>TOTAL</b>	<b>(799)</b>	(799)



## 28. PENSION COMMITMENTS (CONTINUED)

### ANALYSIS OF ACTUARIAL GAIN/(LOSS) RECOGNISED IN OTHER COMPREHENSIVE INCOME

	2021 £000	2020 £000
Actuarial gains/(losses) on plan assets	30,050	28,466
Actuarial gains/(losses) on plan liabilities	27,509	(30,629)
Derecognition of surplus	<b>(43,494)</b>	-
	<b>14,065</b>	<b>(2,163)</b>

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2021 %	2020 %
Discount rate	2.0	1.4
Future salary increases – in line with RPI	3.4	2.9
Future salary increases – in line with RPI subject to maximum of 5%	3.0	2.8
RPI inflation	3.2	2.9
CPI inflation	3.0	2.5
Mortality rates		
– for a male aged 65 now	22.9	22.5
– at 65 for a male aged 45 now	23.8	23.9
– for a female aged 65 now	24.9	24.8
at 65 for a female member aged 45 now	<b>25.8</b>	<b>26.3</b>

## 29. RELATED PARTY TRANSACTIONS

### Group entities

The Association is exempt from disclosing related party transactions with other companies that are wholly owned within the Association, under s.33.1A of FRS102.

### The BMA Board, BMJ Publishing Group Board and Audit Committee members

Transactions the BMA has directly with individual BMA Board, BMJ Publishing Group Board and Audit Committee members, excluding transactions expected in order for the member to carry out their duties, are considered related party transactions.

Transactions occur with these related parties as many are medical practitioners and certain transactions will occur in the normal course of them undertaking that role. These have not been disclosed as they all have standard charges applicable to all medical practitioners and are considered necessary to undertake their role.

Other standard arm's length transactions occur in the normal course of business with Council members' practices, for example, licensing of software and payment for locum services. These are not disclosed here as the Council members would not be able to influence these transactions.

All related party transactions are carried out at arm's length and there were no material related party transactions. Council members are paid Honoraria amounts.

A full list of subsidiaries, the country of incorporation and effective percentage of ownership has been disclosed in Note 30.



PHOTO: SARAH TURTON – MSC CONFERENCE 2022

## 30. SUBSIDIARY UNDERTAKINGS

### DIRECT SUBSIDIARY UNDERTAKINGS

The following were direct subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
BMJ Publishing Group Limited	BMA House, Tavistock Square, London	Ordinary	100%
BMA Investments Limited	BMA House, Tavistock Square, London	Ordinary	100%
BMA (2002) Limited	BMA House, Tavistock Square, London	Ordinary	100%

### INDIRECT SUBSIDIARY UNDERTAKINGS

The following were indirect subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Medelect Limited	BMA House, Tavistock Square, London	Ordinary	100%
BMJ Publishing Inc.	Two Hudson Place, Hoboken, NJ07030 USA	Ordinary	100%
BMJ Group India Private Limited	Navkar Marol, Andheri, Mumbai, India	Ordinary	99%
BMJ (Beijing) Medical Science and Technology Co Limited	1509 Silver Tower No2 East, Chaoyang District, Beijing 100027 China	Ordinary	100%



**BMA**

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